Attorney's Docket No.: 22188-002001

#### IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

Patentee : Andrew Egendorf Art Unit : 3624

Patent No.: 6,976,008 Examiner : Daniel Felten

Issue Date: December 13, 2005 Conf. No.: 4483

Sorial No.: 09/975,839

Filed: October 11, 2001

Title : INTERNET BILLING METHOD

Commissioner for Patents P.O. Box 1450

Alexandria, VA 22313-1450

### REQUEST FOR RECONSIDERATION OF PATENT TERM ADJUSTMENT

The patentee hereby requests that the Patent Term Adjustment (PTA) for the aboveidentified patent be reconsidered. The patentee believes that the PTA of 290 days for the above patent is incorrect and that the PTA to which patentee is entitled is 717 days.

# Review of Patent Term Adjustment Calculations

A review of the Patent Term Adjustment History in the PAIR system shows that the Patent Office (PTO) calculated the PTA as follows:

- Applicant submitted a response on February 3, 2003, thereby according an Applicant Delay of 12 days. The patentee does not dispute this calculation herein.
- 2) Applicant submitted a response on May 21, 2003. The PAIR system indicates a receipt date of May 23, 2003, thereby according an Applicant Delay of 109 days. The patentee does not dispute this calculation herein.
- The PTO mailed a delayed action on January 23, 2004, thereby according a PTO Delay of 99 days. The patentee does not dispute this calculation herein.

Applicant : Andrew Egendorf Attorney's Docket No.: 22188-002001

Appacam : Andrew Egendort Patent No.: 6,976,008 Issue Date : December 13, 2005

Serial No.: 09/975,839 Filed: October 11, 2001

Page : 2 of 4

4) Applicant submitted a response on September 21, 2004, thereby according an Applicant Delay of 17 days. The patentee does not dispute this calculation herein

5) The PTO mailed a delayed action on February 4, 2005, thereby according a PTO Delay of 14 days. The patentee does not dispute this calculation herein.

- 6) The PTO delayed issuance until December 13, 2005, thereby according a PTO Delay of 178 days. The patentee does not dispute this calculation herein.
- 7) Due to the 5 year issuance delay, the PTO calculated an additional PTO delay of 137 days. The patentee respectfully disagrees with this calculation for the reasons explained in the section entitled "#7 Calculation" below. Instead, as explained below, the patentee asserts that the effective issuance delay is 564 days.
- 8) The PTO calculates a total PTO Delay of 428 days and a total Applicant Delay of 138 days, for a total PTA of 290 days. Applicant respectfully submits that the PTO's calculation of PTO Delay contains an error and that the correct total is 855 days, thus yielding a total PTA of 717 days.

#### #7 Calculation

The above-identified patent issued on December 13, 2005 with numerous printing errors, and with incorrect drawings. Accordingly, the patentee filed, on January 18, 2006, a sixty-nine (69) page "Request For Certificate Under 37 CFR 1.322" (copy attached) to correct errors that were the fault of the Patent Office. The filing included a request that the certificate of correction be expeditiously processed. In response, the Patent Office issued a certificate of correction on May 9, 2006 ("the May 9th certificate"), a copy of which is attached. The certificate of

Applicant : Andrew Egendorf Attorney's Docket No : 27188-007601

Paterii No.: 6,976,008

Issue Date: December 13, 2005 Senal No.: 09/975.839

: October 11, 2001 Filed

Page : 3 of 4

correction included the correct drawings and corrections to printing errors in both the specification and the claims.

The May 9th certificate introduced six new errors into the claims, which were the fault of the Patent Office, and which could have affected their enforceability. Accordingly, the patentee filed, on the following day - May 10, 2006, a request (copy attached) to correct errors in the May 9th Certificate. In response, the Patent Office issued a certificate of correction on February 13. 2007 ("the February 13th certificate"). The February 13th certificate supersedes the May 9th certificate

A certificate of correction issued pursuant to 35 U.S.C. §254 is not effective for causes of action arising prior to issuance of the certificate. Therefore, the patentee in this case had to wait until issuance of a certificate of correction before asserting the patent. For at least this reason. the patentee asserts that the effective issuance date of U.S. Patent No. 6,976,008 is February 13, 2007. This date is therefore used herein as the basis for PTA adjustment.

This Request is being filed within two months of February 13, 2007 and is therefore believed to be timely.

#### Conclusion

In consideration of the events described above, the patentee believes the PTA calculation of 290 days is incorrect. The patentee respectfully request reconsideration of the patent term adjustment in the following manner:

Southwast Software, Inc. v. Harlequin Incorporated, 226 F.3d 1280 (Fed. Cir. 2000) (copy attached)

Applicant : Andrew Egendorf Attorney's Docket No.: 22188-002001

Patent No.: 6,975,068

Issue Date: December 13, 2005 Serial No.: 09/975,839 : October 11, 2001 Filed

Page : 4 of 4

1) Total PTO Delay should be calculated as 855 days; and

2) Total Applicant Delay should be calculated as 138 days.

3) An increase in the Total PTA from 290 to 717 days.

A "Petition Under 37 C.F.R. §1.82" is being filed concurrently herewith, as an alternative, to request a term adjustment of 717 days.

Please apply the fee for this Petition to deposit account no. 06-1050 referencing attorney docket no. 22188-002001.

The patentee's undersigned attorney can be reached at the address shown below. All telephone calls should be directed to the undersigned at 617-521-7896.

Respectfully submitted,

Fish & Richardson P.C. 225 Franklin Street Boston, MA 02110 Telephone: (617) 542-5070 Facsimile: (617) 542-8906

21616424.doc

Paul Al Pysher Reg. No. 40,780

# UNITED STATES PATENT AND TRADEMARK OFFICE CERTIFICATE OF CORRECTION

PATENT NO. : 6,976,008 B2

Page 1 of 9

APPLICATION NO.: 09/975839 DATED

: December 13, 2005

INVENTOR(S) : Eamdorf

It is certified that error appears in the above-identified patent and that said Letters Patent is hereby corrected as shown below:

Title page showing an illustrative figure, should be deleted and substitute the attached title page.

#### Title name.

Item [56], References Cited, U.S. PATENT DOCUMENTS, add the following: -- 3,652,795 3/1972 Wolf et al. 379/91.01 Olleran of al

5,146,491	9/1992	Silver et al.	379/114.24
5,283,731	2/1994	Lalonde et al.	705/1
5,446,489	8/1995	Egendorf	725/1
5,590,197	12/1996	Chen et al.	705/65
5,724,424	3/1998	Gifford	705/79
5,727,163	3/1998	Bezos	705/27
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5.819.092 10/1998 Ferguson et al. 717/1 5.826,241 10/1998 Stein et al. 705/26 ---

FOREIGN PATENT DOCUMENTS, add the following:

- 97/41586 11/6/97 WO 05-014510 1/22/93 Japan 06-291889 10/18/94 Japan 07-056888 3/3/95 Japan ---

OTHER PUBLICATIONS, add the following:

... Paul, Nova "Database and Bulletin Board Services: A Guide to On-Line Resources". The Quill, vol. 81, no. 7, p. 18. September, 1993.

Bremner, Joseph. "Guide to Database Distribution: Legal Aspects and Model Contracts, Second Edition", National Federation of Abstracting and Information Services, chapters 3, 4, and 6, 1994.

"New Line for 38A". Family and Home Office Computing, vol. 12, no. 4, p. 19. April, 1994.

Blankenhorn, Dena. "Virtual Mail Opens in Cyberspace, Newsbytes. June 20, 1994.

Geradia et al. "NetBill 1994 Prototype". Carnegie Mellon University Information Networking Institute. August, 1994.

Meeta, Mixiny. "Sart-Up Offers Payment System for Data Bought Over Internet". American Busiler, vol. 159, no. 203, p. J. Oct. 20, 1994.

# UNITED STATES PATENT AND TRADEMARK OFFICE CERTIFICATE OF CORRECTION

Page 2 of 9

PATENT NO. : 6,976,008 B2

APPLICATION NO.: 09/975839

DATED : December 13, 2005 INVENTOR(S) : Egendorf

It is cartified that error appears in the above-identified patent and that said Latters Patent is hereby corrected as shown below:

#### Title page (cont'd),

Radriguez, Karen. "Cyberspace Start-Upe Offer Internet Wares". InfoWorld, vol. 16, no. 43, p. 8. Oct. 34, 1994

"First Virtual Bank of Cyberspace". Newsbytes News Network, October 28, 1994.

Press, Larry. "Communication of the Internet". Communications of the ACM, vol. 37, no. 16, p. 17. November, 1994.

Wiegers, Alex. "First Virtual Really Pays Bills", Business Journal, vol. 12, no. 40, p. 1. December 26, 1904

Commings, Josson, and Knight, Fred. "Internet Service Providers to Ride a Pamiliar Soller Coaster". Business Communications Review, vol. 25, no. 1, p. 67, January, 1995.

Day, Acquellins, "Industry Players in Hot Furmit of Secure Internet Transaction Mode", Bank Systems & Technology, vol 32, no. 1, January, 1995.

into the Cyberspace". Credit Card Management, vol. 7, no. 11, p. 34. February, 1995.

Stankenhorn, Dana. "Building the Tools for Web Commerce". Interactive Age, vol. 2, no. 8, p. 34. February 13, 1995.

Knowles, Anno. "Improved Internet Security Enabling On-Line Commerce (new services based on Secure Physics I Transfer Protocol, Secure Sockets Layer Standards?". PC Week, vol. 82, 80, 81, p. 5. March 30, 1995.

Marrinan, Michele. "First Union, Open Market Hit the Internet". Bank Systems + Technology, vol. 32, no. 5, p. 6, 84sy, 1995.

Singleton, Andrew. "Cash on the Wirehead: You Car't Do Business on the Internet If You Can't Pay Your Bills or Get Paid. Here's How". Byte, vol. 28, no. 6, p. 7), June, 1995.

Sowers, Richard. "First Virtual Offers Unique Internet Payment System". Nevesbytes News Network, p. 1, June 23, 1995.

Bowers, Richard. "First Virtual Creates Corporation of Future". Newsbytes News Network, p. 1. June 28, 1995. ....

#### Column 1.

Line 31, "nave" should read - have -.

#### Column 2,

Line 12, "excisting" should read - existing -.

Lines 29 and 37, "vender," should read - vendor, --

Lines 50-51, "offer oustomers" should read - offer their customers -

Line 56, "chance" should read -- change --

# UNITED STATES PATENT AND TRADEMARK OFFICE

# CERTIFICATE OF CORRECTION

Page 3 of 9

: 6,976,008 B2 PATENT NO.

APPLICATION NO.: 09/975839

: December 13, 2005

INVENTOR(S) : Escadorf

DATED

it is certified that arror appears in the above-identified patent and that said Letters Patent is hereby corrected as shown below:

### Column 3.

Line 29, "agrees to the" should read - agrees to do the -

Line 35, "vender's" should read - vendor's --,

Line 53, "or example," should read -- for example, --.

Line 54, "or o a" should read -- or to a --.

Line 63, "provider, to the" should read -- provider, not the --.

#### Column 4,

Lane 6, "make" should read - made -.

Line 55, "providers" should read -- provides --.

Line 57, "Access network, an" should read - Access network 3 can be a

telephone network, a cable television network, an -.

Line 58, "Prodigy, r a" should read -- Prodigy, or a --.

Line 66, "agreement" should read -- agreements --

#### Column 5.

Line 25, "form" should read -- from --.

Line 40, "from the vendor" should read - from the exchange of information

taking place between the customer and the vendor --

Line 50, "Provider then" should read - Provider 2 then -.

Line 61, "4.1-4 nand" should read - 4.1-4 n and -.

Line 65, "customer" should read -- customers --.

Line 66. "is" should read -- in --.

#### Column 6.

Line 1. "services" should read - service -.

Lines 7 and 14, "form" should read - from -,

Line 26, "sued" should read -- used --.

Line 39, "VISA, Mastercard" should read - VISA or Mastercard -.

Line 44, "is, t can" should read -- is, it can --.

Line 57, "or a" should read -- or an --.

Line 63, "For" should read - for -.

#### Column 7

Line 8, "anxiot" should read - secours --.

Line 9, "with the third" should read - with a third -.

Line 62, "on internet" should read -- an internet --.

# UNITED STATES PATENT AND TRADEMARK OFFICE CERTIFICATE OF CORRECTION

PATENTINO : 5.976,008 B2 APPLICATION NO.: 09/975839

DATED INVENTOR(S)

: December 13, 2005 : Egendorf

it is certified that error appears in the above-identified patent and that said Latters Patent is hereby corrected as shown below:

Page 4 of 9

#### Column 8,

Line 8, "company an" should read - company, an -. Linc 61, "preformed" should read - performed -.

#### Column 9.

Line 3, "arond" should read - agreed -, Line 34, "pasty" should read -- party --.

#### Column 12.

Line 23, "transaction," should read -- transaction; --,

Column 13. Line II, "by to" should read -- by the --. Line 22, "patty" should read - party -.

Line 45, "agreement; and" should read - agreement, -. Line 61, "vendor a" should read -- vendor, a --,

Column 14. Line 67, "agreement," should read -- agreement, --.

Line 6). "remisted, to" should read - remitted to -

# Column 16.

Line 18, "have to" should read - have agreed to -. Line 44, "tan" should read - than -.

#### Column 17.

Line 23, "have to" should read -- have agreed to --. Line 35, "to selling" should read - to the selling -.

#### Column 18.

Line 29, "transaction," should read -- transaction, --.

#### Column 19,

Line 21, "have to" should read - have agreed to -. Line 64, "have to" should read - have agreed to --

# UNITED STATES PATENT AND TRADEMARK OFFICE CERTIFICATE OF CORRECTION

PATENT NO. : 6,976,008 B2

Page 5 of 9

APPLICATION NO.: 09/975839 DATED

: December 13, 2005

INVENTOR(S) : Egendorf

> It is cartified that error appears in the above-identified patent and that said Letters Patent is hereby corrected as shown below-

Column 20,

Line 10, "alter" should read - after -.

Line 16, "transaction over" should read - transactions over -.

Line 57, "after" should read - after -.

Column 21,

Line 11, "transaction;" should read - transaction. -.

Column 22,

Line 4, "have to" should read -- have agreed to --.

Line 17, "alter" should read - after -.

This certificate supersedes Certificate of Correction issued May 9, 2006.

Signed and Sealed this

Thirteenth Day of February, 2007

JOR W. DUDAS Director of the United States Patent and Trademark Office

## (12) United States Patent Erendorf

(10) Patent No.: US (45) Date of Patent:

US 6,976,008 B2 \*Dec. 13, 2005

#### (34) INTERNET BILLING METHOD

- (75) luvestor. Andrew Egendorf, Lincoln, MA (US)
- (73) Assignm: Neterall, Corporation, Liscoln, MA
  - (US)

(\*) Notice: Subject in any disclaimer, the term of this patient in intended or adjusted under 35 U.S.C. 194(b) by 296 days.

This palem is subject to a terminal disclarence,

- (21) Appl. No.: 69/975,839
- (22) Filed: Oct. 11, 2001
- (65) Prior Publication Data

## is majariska at mak 14, 2002 Related U.S. Application Data

- (63) Continuation of application No. 191544,973, filed on May 13, 2003, which is a conditionalist of application No. 094507, 220, filed on April, 1916, now Pet No. 5, 1818,974, 1916, in a conditionalism of application No. 18499, 533, filed on Jul. 7, 1992, now Pet. No. 1916-221.
- (51) Int. Cl.<sup>7</sup> G06F 17/66 (51) U.S. Cl. 705/46; 705/41; 705/42

#### f) References Clied

# U.S. PATRINT DOCUMENTS

5.194,324 A \* 27,995 Cherwites | 105.65 5.496,489 A \* 51,995 Egendorf | 246.05 5.497,344 A 41,998 Wellier at at 280.06 5.847,354 A 121,998 Westler at 280.00

#### OTHER PUBLICATIONS

Caragir Melion Daiversity, "faternet billing Server Prostype Scope Document (Nf Technical Report 1993–1" (Oct. 14, 1993), "

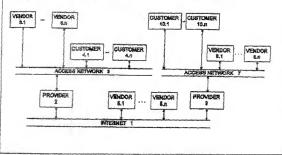
" cited by examiner

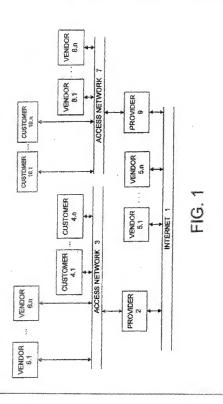
Printery Examiner—V. Millie Aminent Exampler—Daniel S. Pelton (74) Amorroy, Agent or Firm—Hogan & Hartson L.L.P.

57) ABSTRACT

As inwrest billing method comprises musblishing as agreement between an internet access provider and a customer, and an agreement between the internet access provider and s vention, wherein the interset scates provider agrees with the customer and the vendor to bill the customer and remit to the weader for products and services purphased over the interset by the customer from the vendor, The provider creates access to the listernet for the customer. When the customer orders a product or service over the internet from a vendor, transactional information transmitted between the customer and the vendor is also transmitted to the provider. The provider then bills the transaction amount to the customer and comits a portion of the transaction amount to the voidor, keeping the differential as a fee for providing the service. As a result of this method, there is no need for any customer account pumbers or vendor account members to be transmitted over the Internet, thereby mulataining the security of that information.

#### 94 Clahns, 3 Drawing Sheets





6,976,008 B2

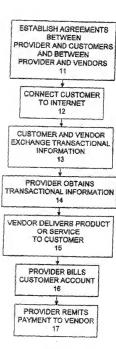


FIG. 2

6,976,008 B2

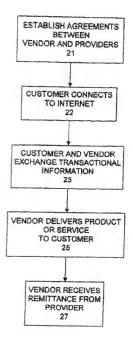


FIG. 3

# UNITED STATES PATENT AND TRADEMARK OFFICE

# CERTIFICATE OF CORRECTION

PATENT NO. : 6,976,009 B2 DATED : December 13, 2005 Page 1 of 9

INVENTOR(S) : Beendorf

It is certified that error appears in the above-identified patent and that said Letters Patent is hereby corrected as shown below:

Title page showing an illustrative figure, should be deleted and substitute the attached title page

#### Title page.

he following:

hem (56), Ref	ferences Cited	, U.S. PATENT DOCU	MENTS, add th
3,652,795	3/1972	Wolf et al.	379/91.01
5,146,491	9/1992	Silver et al.	379/114.2
5,283,731	2/1994	Lalonde et al.	705/1
5,446,489	8/1995	Egendorf	725/1
5,590,197	12/1996	Chen et al.	705/65
5,724,424	3/1998	Gifford	705/79
5,727,163	3/1998	Bezos	705/27
5,819,092	10/1998	Perguson et al.	717/1
5,826,241	10/1998	Stein et al.	705/26
FOREIGN PA	JENT DOCU	MENTS, add the follow	ring:
- 97/41586	11/6/97	WO	
05-014510	1/22/93	Japan	
06-291889	10/18/94	Japan	
07-056888	3/3/95	Japan	
OTHER PUBL	LICATIONS, a	add the following:	

... Paul, Nova. "Delabase and Bulletin Board Services: A Guide to Co-Line Resources", The Quili, vol. 81, no. 7, p. 18, Sectomber, 1993,

Bremner, Joseph. "Guide to Denabase Distribution: Legal Aspects and Model Contracts, Second Edition", National Federation of Abstracting and Information Services, chapters 3, 4, and 6, 1994.

"New Line for SBA". Family and Home Office Computing, vol. 12, no. 4, p. 19. April, 1994.

Blankenhom, Dans. "Virtual Mall Opens in Cyberspace. Newsbytes, June 26, 1994.

Goradia et al. "NetBill 1994 Prototype". Caracgie Melico University Information Networking Institute. August, 1996.

Motor, Mickey, "Start-Up Offers Payment System for Data Bought Over Internet", American Burker, vol. 159, no. 203, p. 1. Oct. 20, 1994.

# UNITED STATES PATENT AND TRADEMARK OFFICE

# CERTIFICATE OF CORRECTION

PATENT NO. + 6 976 098 R2 DATED : December 13, 2005 Page 2 of 9

INVENTOR(S) : Escendorf

It is certified that error appears in the above-identified patent and that said Letters Patent is hereby corrected as shown below:

#### Title page (cont'd),

Radriguez, Karm. "Cyberspace Stan-Ups Offer Internet Wares", InfoWorld, vol. 16, no. 43, p. 8. Oct.

"First Visitual Bank of Cyberspace", Newsbytes News Network, October 28, 1994.

Press, Larry, "Commercialization of the Interest", Communications of the ACM, vol. 37, no. 10, p. 17. November, 1994.

Wiesers, Airz, "First Visual Restly Pays Biffs", Business Journal, vol. 12, no. 40, n. 1, December 26, 1994.

Cummings, Josephe, and Knight, Fred. "Internet Service Providers to Ride a Panilliar Roller Couster". Business Communications Review, vol. 25, no. 1, p. 67, January, 1995.

Day, Jacquelline, "Industry Players in Hot Pursuit of Secure Internet Transaction Mode", Bank Systems & Technology, vol 32, no. 1, January, 1993.

into the Cyberopaus". Credit Card Management, vol. 7, no. 11, p. 34. February, 1995.

Blankenborn, Danz, "Building the Tools for Web Commerce", Interactive Age, vol. 2, no. 8, p. 34. February 13, 1995.

Knowles, Alone, "Improved Internet Security Enabling On-Line Commerce (new services based at Secure Hypertent Transfer Protecti, Secure Sockets Laver Standards)\*, PC Work, vol. 12, no. 11, p. 1. March 20, 1995.

Marrinan, Michele, "First Union, Open Market Hit the Interset", Bank Systems + Technology, vol. 32, no. 5. n. 6. May, 1995.

Singleton, Andrew. "Cash on the Wirehead: You Can't Do Business on the Internet If You Can't Pay Your Bills or Get Peid, Here's How\*, Byte, vol. 28, no. 6, p. 71. June, 1995.

Rossers, Richard, "First Vintual Offers Unique Internet Payment System", Newsbyter News Network, p. 1. June 23, 1995.

Bowers, Richard. "First Varual Creates Corporation of Puture". Newsbytes News Hetwork, p. 1. June 28, 1995. ...

#### Column L

I ime 31. "nave" should read - have -.

#### Column 2.

Line 12, "exxisting" should read - existing --.

Lines 29 and 37, "vender," should read - vendor, -.

Lines 50-51, "offer enstomers" should read - offer their customers -.

Line 56, "chance" should read - change -.

# UNITED STATES PATENT AND TRADEMARK OFFICE CERTIFICATE OF CORRECTION

PATENT NO. : 6,976,008 B2 DATED : December 13, 2005 Page 3 of 9

INVENTOR(S) : Egendorf

If is cartified that error appears in the above-identified patent and that said Letters Patent is bereby corrected as shown below:

#### Column 3.

Line 29, "agrees to the" should read - agrees to do the -.

Line 35, "vender's" should read -- vendor's --.

Line 55, "vender's "should read -- vendor's --.
Line 53, "or example," should read -- for example, --.

Line 33, Grexaniple, should read — for e Line 54, "or o s" should read — or to a —.

Line 63, "provider, to the" should read -- provider, not the --.

#### Column 4.

Line 6, "make" should read -- made --.

Line 55, "providers" should read -- provides --.

Line 57, "Access network, an" should read - Access network 3 can be a

telephone natwork, a cable television network, un --

Line 58, "Prodigy, r a" should read - Prodigy, or a -.

Line 66, "agraement" should read — agreements —

#### Column 5.

Line 25. "form" should read - from -.

Line 40, "from the vendor" should read - from the exchange of information

taking place between the customer and the vendor --.

Line 50, "Provider then" should read - Provider 2 then -.

Line 61, "4.1-4.nand" should read - 4.1-4.n and -.

Line 65, "customer" should read -- customers --.

Line 66, "is" should read -- in --.

#### Column 6.

Line 1, "scryices" should read - service -.

Lines 7 and 14 "form" should read -- from --.

Line 26, "sped" should read - used -.

Line 39, "VISA, Mastercard" should read - VISA or Mastercard --

Line 44, "is, a can" should read -- is, it can --.

Line 57, "or a" should read - or an -.

Line 63. "For" should read - for -.

#### Column 7.

Line 8. "amound" should read - account -.

Line 9, "with the third" should read - with a third -.

Line 62, "on Internet" should read - an Internet -.

# UNITED STATES PATENT AND TRADEMARK OFFICE

# CERTIFICATE OF CORRECTION

PATENT NO. : 6,976,008 B2 DATED : December 13, 2005 Page 4 of 9

INVENTOR(S) : Egendorf

If is certified that error appears in the above-identified patent and that said Letters Patent is hereby corrected as shown below;

#### Column 8,

Line 8, "company as" should read - company, an -.. Line 61, "preformed" should read - performed -..

#### Colomn 9.

Line 3, "arcod" should read - agreed -. Line 34, "patty" should read - party -.

#### Column 12,

Line 23, "transaction," should read - transaction; -,

#### Column 15.

Line 11, "by to" should read -- by the --Line 22, "patty" should read -- party --.

Line 45, "agreement; and" should read - agreement, -. Line 61, "vendor a" should read - vendor, a --.

#### Column 14.

Line 67, "agreement." should read - agreement, -..

#### Column 15.

Line 61, "remitted, to" should read - remitted to -. Line 18, "have to" should read - have agreed to -.

#### Column\_16,

Line 44, "tan" should read -- than --.

Line 23, "have to" should read -- have agreed to --.
Line 35, "to selling" should read -- to the selling --.

#### Column 18.

Line 29, "transaction," should read - transaction; -. Line 21, "have to" should read - have agreed to -.

# Column 19.

Line 54, "have to" should read -- have sereed to --.

Line 10, "siter" should read - after --.

#### Column 20.

Line 16, "transaction over" should read -- transactions over --. Line 57, "alter" should read -- after --.

# UNITED STATES PATENT AND TRADEMARK OFFICE CERTIFICATE OF CORRECTION

PATENT NO. : 6,976,908 B2 DATED : December 13, 2005 Page 5 of 9

INVENTOR(S) : Egendorf

It is certified that error appears in the above-identified patent and that said Letters Patent is hereby corrected as shown below:

Column 21.

Line 19, "transaction;" should read - transaction, --.

Column 22,

Line 4, "have to" should read - have agreed to -.

Line 17, "after" should read - after --.

Signed and Sealed this

Ninth Day of May, 2006

JON W. DUDAS

Director of the United States Patent and Trademark Office

# (12) United States Patent Egendorf

US 6,976,008 B2 (so) Patent No.: (45) Date of Patent: \*Dec. 13, 2005

- (S4) INTERNET BILLING METHOD
- 1751 Inventor, Andrew Reendurf, Lincoln, MA (US) (73) Assigner: Neterall, Corporation, Lissoin, MA. (US)
- [ \* 5 Notice: Subject in any discislators, the term of this pateur is extended or adjusted hader 35 U.S.C. 154(8) by 290 days.

This patent is subject to a terminal dis-

- (21) Appl. No.: 89/975.839
- (72) Filed: Oct. 11, 2001
- Prior Publication Data

LIN 200020002854 A1 Mar. 14, 2000 Related U.S. Application Data

(63) Construction of application 90, 097848,978, Stod on May 11, 2023, which is a continuation of application No. 198027, 229, State on Apr. 1, 1978, now Not. Not. 5, 188,974, which is a continuation of application No. 184,99,535, Steel on Jul. 7, 1997, now Pat. No. 5,794,221.

- (51) last CL\*
- - References Chad

U.S. PATTENT DOCUMENTS

 5,845,265 A OTHER PUBLICATIONS

Camegie Meilen University, "Internet billing Server Prototype Scope Document INI Technical Report 1993-1" (Oct. 14, 1993)."

\* vited by examiner

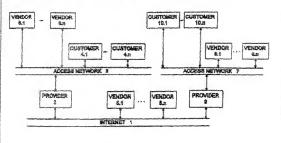
Primary Examiner—V. Millia Assistant Examiner-Deniel S. Felten

(74) Assuring Agent, or Firm-Hogan & Harmon L.L.P.

ABSTRACT (57)

As impraed billing method comprises countricing as agreespent between an internet access provider and a customer, and an agreement between the interest access penylder and s vendor, wherein the finternet access provider agrees with the componer and the wender to bill the customer and remit to the vender for products and services purchased over the interest by the customer from the ventor. The provider errates access to the Internet for the quaterner. When the customer orders a product or service over the internet from a vendor, transactional information transmitted between the customer and the vendor is also transmitted to the provider. The provider then bills the transaction amount to the customer and remain a portion of the transaction amount to the vendor, keeping the differential as a lee for providing the service. As a result of this meshod, there is no need for any customer account mumbers or vendor account numbers to be transmitted over the laterant, thereby maintaining the securies of that information.

94 Claims, 3 Drawing Shoets



Dec. 13, 2005 Sheet 2 of 3

6,976,008 B2

**ESTABLISH AGREEMENTS** BETWEEN PROVIDER AND CUSTOMERS AND BETWEEN PROVIDER AND VENDORS CONNECT CUSTOMER TO INTERNET 12 CUSTOMER AND VENDOR EXCHANGE TRANSACTIONAL INFORMATION 13 PROVIDER OBTAINS TRANSACTIONAL INFORMATION VENDOR DELIVERS PRODUCT OR SERVICE TO CUSTOMER 15 PROVIDER BILLS CUSTOMER ACCOUNT 16 PROVIDER REMITS PAYMENT TO VENDOR 17

FIG. 2

6,976,008 B2

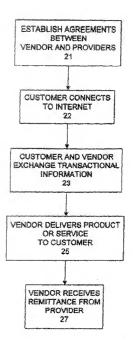


FIG. 3

## Westlaw

226 F.3d 1280 226 F.3d 1280, 56 U.S.P.Q.2d 1161 (Cite as: 226 F.3d 1280)

\$

#### Briefs and Other Related Documents

United States Court of Appeals, Federal Circuit SOUTHWEST SOFTWARE, INC., Plaintiff-Cross Appellant,

HARLEQUIN INCORPORATED, Harlequin Limited, and ECRM Trust, Defendants-Appellants. Nos. 98-1213, 99-1214.

Sept. 18, 2000

Patentee brought infringement action against alleged infringers of its natures for a method of calibrating halftone output images during desktop publishing. The United States District Court for the Western District of Texas, Sam Sparks, J., entered judgment in favor of patentee, and appeal was taken. The Counof Appeals, Schall, Circuit Judge, held that: (1) evidence was sufficient to establish that defendant's revised software was noninfringing; (2) Patent and Trademark Office (PTO) validly issued certificate of correction to correct emission from patent of appendix containing relevant software code: (3) addressing an issue of first impression, certificate was only effective for causes of action arising after it uses issued, and (4) district count's failure to construe claim limitation required vacation of its judgment and remand for further proceedings.

Vacated and remanded.

West Headnotes

III Federal Courts € 764 170Bk764 Most Cited Cases

III Federal Courts € 765 1708k765 Most Cited Cases

In reviewing district court's ruling on a motion for judgment as a matter of law (IMOL), Court of Appeals determines whether, viewing the evidence in the light most favorable to the non-moving party, and giving the non-movant the bonshift of all reasonable inferences, there is sufficient evidence of record to support a jury cordict in favor of the non-movant 12] Federal Courts €=764 170Bk764 Most Cited Cases

[2] Federal Courts 765 170Bk765 Most Cited Cases

[2] Federal Courts €= 842 170Bk842 Most Cited Cases

[2] Federal Courts €—844 170Bk844 Most Cited Cases

[2] Federal Courts € 845 170Bk845 Most Cited Cases

In reviewing the propriety of the grant of judgment as a matter of law (IMOL), Court of Appeals does as weigh the evidence, consader the credibility of witnesses, or decide disputed facts; instead, the test is whether there can be but one condustion as to the verdict that reachado.

[3] Patents 314(5) 291k314(5) Most Cited Cases Patent infringement is a question of fact.

14] Federal Courts € 629 170Bk629 Most Cited Cases

Failing to properly move for judgment us a matter of law (IMOL) at the close of the evidence precludes a challenge to the sufficiency of the evidence underlying fast findings.

15] Patents € 324.1 291k324.1 Most Cited Cases

Whether statute prohibiting supplying or causing to be supplied components of a patentied combination outside the United States applied to method claims would not be considered for the first time on appeal. 35 U.S.C.A. § 271(f).

16] Courts € 96(7)

106k96(7) Mosi Cited Cases

Law of the regional circuit where the appeal from the district court normally would lie applied to Federal Circuit's review of denial of motion for new trial in patent case.

17) Federal Civil Procedure € 2313 179Ak2313 Most Cited Cases (Cite as: 226 F.3d 1280)

[7] Federal Courts 825.1 170Bk825.1 Most Cited Cases

In the Fifth Circuit, the decision to grant or deny a motion for a new trial is within the discretion of the rial court and will not be disturbed absent an abuse of discretion or a misapprehension of the law.

#### [8] Federal Courts € 825.1 170Bk825.1 Most Cited Cases

In the Fifth Circuit, the denial of a motion for new trial will be affirmed unless, on appead, the purty dawn was the movant in district court makes a clear showing of an absolute absence of evidence to support the jury's verdict, thus indicating that the trial court abused us discretion in refusing to find the jury's verdict contrary to the great weight of the evidence.

### [9] Patents €=312(6) 291k312(6) Most Cited Cases

Evidence that allegad infringer's revised desktop publishing software included a manual step which avoided the automatic selection feature of patented method for calibrating halfone output images, even though the code for automatic selection remained in place, was substantial evidence supporting jury's worder finding that the revised software was noninfringing.

# [10] Patents €==126

291k126 Most Cited Cases

Patent and Tradecarak Office (PTO) validly issued certificate of correction to correct omission from patent of appendix toottating relevant software code, where appendix had been flied with patent application and was not originally published because it had been misplaced or lost by the PTO. 35 U.S.C.A. 2 SU.

# 1111 Patents 314(6) 291k314(6) Most Cited Cises

Whether Patient and Trademark Office (PTO) validity issued certificate of correction was properly preserved for consideration by the district court after jury's vertice in patient infragement action, where parties agreed at motions bearing that no evidence would be presented or argument made to the jury with respect to the issues surrounding the certificate of correction, and that such issues would be raised after trial. 35 U.S.C.A. § 25 U.S.C.A.

## [12] Patents € 126 291k126 Most Cired Cases

Certificate of correction issued by Patent and Trademark Office (PTO) to correct omission of appendix from patent was only effective for causes of action arising after it was issued, and was not effective in pre-certificate infringement suit. 32 U.S.C.A.S. 2019.

# [13] Statutes €= 188

361k188 Most Cited Cases
Court of Appeals begins the process of statutory interpretation with the language of the statute.

### [14] Statutes \$\infty\$ 188

361k188 Most Cited Cases

If the language of a statute is clear, the plain meaning is conclusive

# [15] Patents €=126

291k126 Most Cited Cases

Statute governing Patent and Trademark Office's (PTO) issuance of certificates of correction requires that, for causes arising after the PTO issues a certificate of correction, the certificate of correction, the certificate after the end of the certificate and been issued along with the original patent, is for certificate had been issued along with the original patent, for causes arising before its issuance, the certificate of correction is not effective. 35 U.S.C.A. \$2.324.

# [16] Patents -126

291k126 Most Cited Cases

Any invalidity of patent arising from absence of appendix containing relevant software code from patent applied only to causes arising before Patent and Trademark Office (PTO) issued certificate of correction to add the appendix, any invalidity ceased when the PTO issued the certificate. 35 U.S.C.A. \$ 254.

# [17] Patents €=324.1

291k324.1 Most Cited Cases

Alleged infringers could not challenge underlying facts relating to issues of whether patent was invalid for obviousness, lack of enablement, hilbre to disclose best mode, indefiniteness, lack of adequate written description, or lack of utility, where they did not rates such arguments in motion for judgment as a matter of law (IMOL) at the close of all evidence; alleged infringers could only challenge judgment on ground that district court committed error of law or abused its discretion. 35 U.S.C.A. § 101, 112; Fed Rules CV Proc.Rule SQ, 28 U.S.C.A.

# [18] Patents €=324.60

226 F.3d 1280 226 F.3d 1280, 56 U.S.P.Q.2d 1161 (Cite as: 226 F.3d 1280)

291k324.60 Most Cited Cases

District court's failure to construe "mapping meane" limitation of apparatus claims in patents for method of calibrating halftone output images during desktop publishing required vacation of its judgment finding that the claims were not infinged and remand for further proceedings on the infringement issue.

\*1282 David D. Bahler, Arnold, White & Durkee, of Austin, Texas, argued for plosmiff-cross appellant With him on the brief were Amber L. Hatfield and G. Scott Thomas. Of counsed on the brief were Scott R. Kidd. Raymond. L. Sturm, and Walter H. Micell. Brown McCarroll & Oaks Hardline, of Austin, Texas.

Thomas, H., Watkins, Hilgers & Watkins, P.C., or Austin, Texas, argued for defendants-appellants. With him on the brief was Albert A. Carrison, It. Of counsel on the brief were John J. Regan, Hale and Dorr LLP, of Boston, Massachusetts, and Meished P. Adams, Skjerven, Morrill, MacPherson, Franklin & Field, L.L.P., of Austin, Texas.

Before MICHEL, Circuit Judge, SKELTON, Senior Circuit Judge, and SCHALL, Circuit Judge

SCHALL, Circuit Indge.

Harlequin Incorporated and Harlequin Limited (collectively "Barlegnin") and ECRM Trust ("ECRM") appeal from the judgment of patent infringement entered against them in the United States District Court for the Western District of Texas The judgment was entered upon a jury verdict. The jury found that: (1) claim 1 of Southwest Software, Inc.'s ("Southwest's") reexamined U.S. Patent No. B1 5,170,257 (the " '257 patent") is not invalid: (2) claim 1 of the '257 patent. was directly infringed by Harlequin and ECRM, both literally and under the docume of equivalents; and (3) Harlequin and ECRM had induced infringement of claim 1, had contributorily infringed claim 1, and also had infringed claim 1 by supplying or causing to be supplied components of a patented combination outside the United States, in violation of 35 U.S.C. § 271(f), (FN1) See \*1283 Southwest Software, Inc. v. Harlequin, Inc., No. A 95-CA-032 SS (W.D.Tex. Sept. 30, 1998).

FN1. Unless otherwise indicated, all statutory references are to the 1994 version of the United States Code.

The '257 patent is directed to a method and apparatus used in the printing industry to enhance the quality of printed images. The jury found that claim 1 of the

257 paient was infringed by ScriptWorks Version 3.3-Revision 6 ["ScriptWorks Revision 6"), a Harlequin software product, and awarded damages based upon that infringement. See Id. The jury, however, fid not find infringement of claim 1 of the 257 patient by ScriptWorks Version 3.3 Revision 7 ("ScriptWorks Revision 7"), another Harlequin software product. See Id. The district court denied Harlequin's and ECRM's motion for judgment as a matter of law ("IMOL") that they did not infringe claim 1 of the 257 patient and that claim 1 is invalid.

Southwest cross-appeals from the judgment that claim 1 of the '257 patent was not infringed by ScriptWorks Revision 7. In so doing, it challenges the jury's verdict of noninfringement and the district court's denial of a new trial on the infringement issue. Southwest also cross-appeals the district court's grant of Harlequin's and ECRM's motion for JMOI, that claim 11 of the '257 patent and claim 10 of Southwest's U.S. Patent No. \$245.443 (the ''. 443 patent) patent? I were not infringed by either ScriptWorks Revision 6 or 7. The '443 patent is a communation of the '257 patent.

The judgment of the district court is vacated and the case is remanded for further proceedings. As far as Harlequin's and ECRM's appeal is concerned, we see no error in the district court's denial of Harleouin's and ECRM's motion for JMOL on the issue of infringement of claim 1 of the '257 patent by ScriptWorks Revision 6. We conclude that the denial of JMOL on the issue of the validity of claim 1 of the '257 patent was erroneous, however. Specifically, because we hold that a certificate of correction that was issued under 35 U.S.C. § 254 to add certain material to the '257 patent is not effective for purposes of this action, the district court must determine on remand whether, absent the added material, claim 1 of the '257 patent is invalid for purposes of this action because the patent's specification fails to satisfy the best mode and enablement requirements of 35 U.S.C. \$ 112, \$ 1.

As far as Southwest's creas-appeal is concerned, we see no error in the district court's demail of a new trial on the issue of infringeneous of claim 1 of the '257 patent by ScriptWorks Revision 7. However, because the district court failed to construe the relevant claim limitation, we weath the court's grant of Harkequin's and ECRM's motion for JMOL that claim 11 of the '257 patent and claim 10 of the '492 patent were not infringed by ScriptWorks Revision 6 or 7 and remand for further proceedings on those sevices.

226 F.3d 1280 226 F.3d 1280, 56 U.S.P.Q.2d 1161 (Cite as: 226 F.3d 1280)

#### BACKGROUND 1. The Technology Involved

The technology at issue in this case is designed to enhance the quality of printed images. Its primary use is in the printing industry.

Today, computer "deaktop publishing" programs allow a user to create an image on a computer screen that represents the image that eventually will be printed. After the image is created on the computer screen, it is sent from the computer to an image-setter for printing.

The imagesetter receives commands and data from the computer and then produces what is called an "output image" on film or paper. The output image typically is used to make contact printing plates. One desirable feature of an imagesetter is the ability to provide tote reproduction in which the shades of the printed image are the same as the shades called for by the datas set from the computer.

Convertional printing processes cannot reproduce continuous tone titus or images ("contones"). Instead, the process of "halfoning" is used to create the variety of ink shades necessary to print images, in the halftone process, shades of gray are \*1284 approximated by applying variously sized ink dots of black ink wiffin the area which is to be shaded. This creases an optical illuston in which the area appears as a continuous shade of gray. Small dots render light shades, while large dots render dark shades. "Dot percentage" is the percentage of the paper or film that is blackened by the ink dots. Dot percentage ranges from 9% marking (i.e., white) to 109% marking (i.e., clack). Each shade of gray is denoted by a "gray value."

"Calibration" is used to adjust the imagesetter's output so that the gray values requested from a computer application program (for example, desktop publishing software) are the same as those actually preduced as output (for example, on film). Without calibration, the imagesetter tends to produce a darker shade of gray than destred—atthough both 0% and 100% dot areas are always achievable without calibration. For example, if the application program equests a gray value of 48%, the imagesetter might actually produce a gray value of 50%, the imagesetter might actually produce a gray value of 48%.

Calibration involves taking the requested gray values from the computer application program and processing the values by way of a "look-up table" to produce adjusted data. The input to the look-up table is the desired gray shade; the output of the look-up table is the estired ray shade; the output of the look-up table is the estand value that must be applied to the imagescler to achieve the desired shade. In the example above, the input to the look-up table would be the desired gray value of 50%, and the output of the look-up table would be the acrast value to be supplied to the imagescenter or 48%. The adjusted data from the look-up table is used by the imagescrier to produce the desired gray shade in the output (for example, on film).

Before it can be used, the look-up table must be created. Part of the calibration process involves finding the correct numbers, or values, to put into the look-up table. The numbers in the look-up table are the "calibration set." To create the calibration set used to perform the calibration process, a test innee consisting of several patches of various shades of gray is fed into the system. An output image is then made with no calibration. Next, the uncalibrated gray values that were printed are measured with a tool called a "densitometer." Based on these measurements, a calibration set is calculated using the differences between the desired gray values and the actual gray values printed without calibration. The calibration set then is used to fill in the values in the look-up table.

Thereafter, the look-up table will produce the shades of gray that correspond to the desired shades of gray provided by the input computer data. A separate calibration set is needed for each possible combination of printing perumeters—such as image resolution, intensity, and screen frequency. Therefore, a large number of calibration sets may be needed for each imagesetter in order to account for all of the combinations of printing parameters that may be used.

#### II. The Patents at Issue The '257 patent

The 257 patent is directed to a method and apparatus for calibrating halfrone output images. It "programmably selects" a specific calibration set depending on imagestater variables such as image resolution, exposure intensity, and screen frequency. The application for the '257 patent was filed on October 2, 1990; the patent issued on December 3, 1992.

Under the invention, halftone test pattern images first are created in a page description language, such as "PostScript." [FN2] See "257 patent, cel. 8, 1, 67 to

\*1288 col. 9, 1. 1. The page description language then is sent to an image-setter, which consists of a raster image processor [ENS] and a recorder. See id. at col. 9, 18, 1-4. The raster image processor converts the page description language into a raster format, which is then sent to the recorder. See id. at col. 9, 18, 3-4. Based upon the raster format provided by the raster image processor, the recorder produces the halftone input image on a selected medium and delivers the medium to a photoprocessor for chemical processing and development. See id. at col. 9, 11, 5-7. Output from the photoprocessor is in the form of uncalibrated test pattern images. See id. at col. 9, 11, 5-5.68.

EN2. Page description language is a computer language representation of the desired image that indicates where dots should be placed on the page. Postscript is the dominant page description language in the industry.

EN3. The ruster image processor converts the page description language from an application program (for example, desktop publishing software) to a "raster." A raster is a grid of lines, and is made up of individual "pixel" dots, which can be either on or off.

The operator then measures the gray scales of the uncalibrated test puttern images with a standard detarna sizusiformeter. See id at col. 10, 11, 10-13. The record of these gray scale measurements constitutes a calibration set. See id. at col. 10, 11, 13-16. The calibration set is stored in the raster image processor where it is used with a transfer function to adjust the image-setter's halftone response to imput data. Multiplic calibration sets may be created. See id. at col. 10, 11, 16-10.

Once calibration sets are obtained, subsequent halftone input images are calibrated by the imagesetter in accordance with an appropriate calibration set and transfer function. See id. at ool. 10, 11. 25-28. Thus, for subsequent halfone input images, a selector in the roster image processor selects a calibration set that is appropriate given the current system conditions such as for example, exposure intensity, media, resolution, screen frequency, etc. See id at col. 10, 11. 28-34.

The '257 patent was the subject of a recxamination proceeding. The reexamined '257 patent was issued on February 7, 1995. Claim 1, as modified in the

reexamination, recites:

 A method of calibrating halftone output images form [sic] an imagesetting device, comprising:

providing a halftone input image, each said input image including a plurality of requested gray value densities, each said input image being a function of image resolution, exposure intensity and screen frequency:

reproducing said halftone images onto a photographic media;

chemically processing said media to manifest the exposure thereon;

measuring the idensity of each said requested gray value of each said halftone input image by a densitometer;

generating a plurality of calibration sets in accordance with said measuring step, each said calibration set corresponding to any variation between said requested gray value density and said respective measured density reaching for each said half-tone input image at verious said image tesolutions, said exposure intensity and said screen frequency; and,

converting a subsequent plurality of halftone input images to a respective plurality of calibrated halftone output images according to changes made to said subsequent halftone input images by said calibration sets, by programmably selecting a particular calibration set of said plurality of calibration sets to be used to convert one of said makeautent pharality of halftone input images depending upon said imagesesting device current settings of said image resolution, said exposure intensity and said screen frequency.

(additions made during reexamination in italies).

The parentability of claim 11 of the '257 patent was confirmed in the reexamination. Claim 11 recites:

\*1286 11. An apparatus for generating calibrated halftone output images from an imagesetting device, comprising:

a haifione input image including a plurality of gray values, each said gray value having a requested density value;

means for converting said input image into a page description language;

a raster image processor having a channel for receiving said page description language and converting said language into a raster representation of said halitone input muses:

a recorder connected to said rasier image processor, said recorder includes a modulated light source to expose said raster representation onto a photographic media;

a photoprocessor configured to receive said

photographic media for chemically developing said

a <u>densitionness</u> for measuring amount of density of each said gray value of said developed photographic medium;

a computer for receiving a plurality of programmed calibration sets, said sets include variations between measured density of said densitometer and corresponding said requested density;

a subsequent uncalibrated halftone input image, said subsequent halftone input image converted into said page description language and inputted to said computer;

a selector accessed by said computer for receiving said subsequent lealiftone input images and selecting a corresponding said calibration set stored in said computer to programmably adjust said uncalibrated halfone input image to said calibrated output halflone image; and.

mapping means for mapping either positive or negative sense representations of said subsequent uncelibrated halifone hipps images through said raster image processor, said recorder, said photoprocessor and outputted as calibrated said halifone output images on said photographic media.

#### The 443 patent

The <u>'443 patent</u> is a communition of the '257 patent. The application for <u>the '443 patent</u> was filled on July 7, 1992; the patent issued on September 14, 1993.

#### Claim 10 of the '443 patent recites:

 An apparatus for generating calibrated output images from a[sic] image generating device, comprising:

a means for converting an input image into a page description language, said input image including a plurality of image density values, each said image density value having a requested density value;

an image processor having a channel for receiving said page description language and converting said language into a representation of said input image; a recorder connected to said image processor, for recording said representation onto image bearing media; a densitioneter for measuring a density of each said

image density value of said recorded image; a computer for receiving a plurality of programmed calibration sets, said sets including variations

calibration sets, said sets including variations between density measured by said densitometer and corresponding requested density; a selector accessed by said communer for receiving

a selector accessed by said computer for receiving subsequent uncalibrated input images represented in said page description language, and for selecting a corresponding said calibration set stored in said computer to programmably adjust said nonciliorated input image to said calibrated output image; and mapping means for mapping either positive or negative sense representations of said subsequent uncalibrated super timages through said image processor, and said recorder, to be output as said calibrated output images on said image bearing meths.

\*1287 III. Southwest's Lawsuit Against Harloquin and ECRM

The parties and the accused products

Southwest is the owner of the '257 and '443 patents. Harlequin Incorporated and Harlequin Limited are companies owned by the Harlegnin Group, an English software company. (As noted above, we refer to these two parties collectively as "Harlequin.") Harloquin developed ScriptWorks Revision 5, a rastet image processor software product with a builtin calibration feature, as part of its ScriptWorks family of rasier image processor software products. The main function of SoxiptWorks Revision 6 is to convert computer code describing an image to be printed from an initial representation to a "raster" representation that can be applied directly to a printing mechanism, ScriptWorks Revision 6 also ECRM is a Delaware performs calibration. corporation. It manufactures imagesetters and is a customer of Harlecuin. In particular, ECRM makes and sells an imagesetter known as the "Somptsetter," which includes Harlequin's software raster image processor.

On January 20, 1995, Southwest sued Harlequin and ECRM for infringement of claims 1, 7, and 11 of the 257 patent and claims 6, 10, and 11 of the 257 patent and claims 6, 10, and 11 of the 257 patent by Harlequin ScriptWorks Revision 6, [EN4] After the suit was filled, Harlequin took action to "defeature" the automatic selection of calibration set feature of its accused product. The "defeatured" product was ScriptWorks Revision 7. With this "defeaturing," users of Harlequin's raster image processor could no longer activate the automatic calibration feature. Instead, they were required to manually select a calibration set from a computer menu.

ENd. Prior to trial. Southwest decided to pursue its action only with respect to claims 1 and 11 of the '257 patent and claim 10 of the '443 statent. The automatic selection source code used in ScriptWorks Revision 6 was not removed from ScriptWorks Revision 7. Instead, using a common industry practice, the source code was modified so that the automatic selection feature could not be invoked during normal operation of the software. However, ScriptWorks Revision 7 does contain a "warn system." This "warn system" alerts an operator when the manually selected calibration set is mappropriate for the job, but it does not suggest or select a better calibration set. The operator must manually selected the calibration set.

#### Proceedings in the district court

In August of 1996, Harbenpin noted that there was missing from the certified copy of the '257 patent a "Program Printout Appendix" containing PostSoript code for the calibration feature of the invention. [EM3] Shortly thereafter, Harbenpin and FCRM filled a motion for summary judgment, in which they argued that, in view of the omission of the Program Printout Appendix, claims 1 and 11 of the '257 patent were invalid because the '257 patents specification failed to meet the best mode and enablement requirements of 35\_U.S.C.\_8, 112\_9, 1. They further argued that claims 1 and 11 of the '257 patent and claim 10 of the '445\_patent were invalid due to anticipation and obviousness under 35\_U.S.C.\_8, § 102\_and 103.

FN5. The certified copy of the '443 patent has at all times included the Program Printout Appendix.

Southwest prompily requested that the Patent and Trademark Office ("PTO") issue a certificate of correction for the 257 patent under 35 U.S.C. \$ 254. In due course, the PTO issued a certificate of correction adding the Program Printout Appendix to the 257 patent, [FN6]

FN6. This was the second certificate of correction that was issued with respect to the '257 patent. A previous certificate of correction had been issued to correct the error of a missing comma.

Harlequin and ECRM next moved for summary pidgment that the certificate of Correction was invalid and that, without the Program Printout Appendix as part of \*1288 the \*257 patent, claims 1 and 11 were invalid, again, by reason of the specifications failure to satisfy the enablement and best mode requirements of 38 U.S.C. 8, 112, \$1, 14/ternaively, they argued that, even if the certificate of correction was validly issued, it is not effective in this suit. Finally, Harlequin and ECRM asserted, as they had before, that apart from the matter of the certificate of correction, claims 1 and 11 of the '257 patent and claim 10 of the 243 patent were invalid because prior are either anticipated them under 35 U.S.C. S. 102 or rendered them covious under 35 U.S.C. S. 102 or June 19, 1998, the district court denied Harlequin's and ECRM's motion without prejudice to their refling it as a motion for JMOL at rial.

On August 17, 1998, a jury trial was held. In addition to denying infringement of claims 1 and 11 of the '257 patent, Harlesonn and ECRM asserted that claims I and II were invalid due to anticipation, obviousness, lack of enablement, lack of definiteness. lack of an adequate written description, failure to disclose the best mode of practicing the invention, and lack of utility. However, Harlequir's and ECRM's arguments with respect to enablement and best mode as related to the certificate of correction issue were not presented to the jury. Harlequin and ECRM also denied infringement of claim 10 of the '443 patent. At the close of the evidence, Harloquin and ECRM moved for JMOL, but only on the issue of infringement. In particular, they contended that they did not infringe any of the asserted claims directly; they also contended that they did not inchice infringement of, or contributorily infringe, any of the claims. However, they did not move for JMOL that they did not infringe claim 1 of the '257 patent under 35 U.S.C. § 271(f) by supplying or causing to be supplied components of a parented combination outside the United States. Before submitting the case to the jury, the district court granted the motion for JMOL of noninfringement as to claim 11 of the '257 patent and claim 10 of the '443 patent. Thus, the only issues submitted to the jury were infringement of claim 1 of the '257 parent and the validity of claim 1.

On August 28, 1998, the jury returned its verdict As noted above, the jury found that Harlequin and ECRM had directly infringed claim 1 of the "257 patent, both literally and under the doctrine of equivalents. The jury also found that Harlequin and ECRM had induced infringement of claim 1, had accontibuterily infringed slaim 1, and had infringed claim 1 under 35. U.S.C. 8, 271(f) because they had supplied or caused to be supplied components of apatented invention costoide the United States. The device based upon which Harlequin ScriptWorks Revision 6. No infringement was found by reason of ScriptWorks Revision 6. No infringement was found by reason of ScriptWorks Revision 6. Further, the jury found

226 F.3d 1280 226 F.3d 1280, 56 U.S.P.Q.2d 1161 (Cite as: 226 F.3d 1280)

claim 1 of the 257 patent to be not invalid by reason of naticipation, obviousness, lack of enablement, lack of deliniteness, lack of an adequate written description, failure to disclose best mode, or lack or autity. The jury awarded damages to Southwest for infringement of claim 1 by Hartequin in the amount of \$459,412 and by ECRM in the amount of \$93,112.

Harlequin and ECRM made a post-verdict motion for IMOL on the issues of both validity and infringement. After the motion was denied, they moved for a new trial on the issue of the validity of claim 1 of the '257 patent. In their motion, Harlequin and ECRM contended that the evidence at trial established as a matter of law that claim 1 was invalid for obviousness, lack of enablement, lack of definiteness, lack of an adequate written description. failure to disclose best mode, and lack of unlity. Alternatively, they contended that the jury's verdict was against the great weight of the evidence on the validity issues. Harlequin and ECRM also renewed their arguments with respect to the certificate of correction that they had raised in their motion for summary judgment before trial. For its part, Southwest moved for a new trial on the issues of \*1289 infringement of claim 1 of the '257 patent by Harlequin's ScriptWorks Revision 7 and the amount of the jury's damages award. The district court denied all of these post-trial motions.

#### DISCUSSION I. Introduction

In this section of the opinion we set forth the contentions of the parties and address those contentions that require only limited discussion.

#### Contentions of the parties

On appeal. Harleguin and ECRM challenge the jury's verdict of infringement of claim 1 of the '257 patent by Harlequin's ScriptWorks Revision 6; they also renew the argument made in their post-verdict motion for JMOL that claim 1 of the '257 patent is invalid. to that regard, they argue that the certificate of correction adding the Program Printout Appendix to the '257 natent is defective because it was issued in violation of 35 U.S.C. § 254. Thus, they contend that the Program Printput Appendix is not part of the '257 paters and that, as a consequence, the patent violates the best mode and enablement requirements of 35 U.S.C. § 112, § 1. Alternatively, they argue that the certificate of correction is not effective for purposes of this suit Harloquin and ECRM additionally contond that, in any event, claim 1 of the ' 257 patent is invalid for obviousness under 35

U.S.C. 8, 193. They also contend that claim 1 is invalid because the 257 patent does not teach how to calibrate balkone input images and, therefore, it fails to meet the enablement, best roote, and written description requirements of 25 U.S.C. 8, 112, 5, 1, the definiteness requirement of 25 U.S.C. 8, 113, 5, 2, and the utility requirement of 25 U.S.C. 8, 191. Harlequin and ECRM do not appeal the jury's verdict that the 257 potent is not anticipated. [First]

FN7. Harleggin and ECRM assert in passing that the '443 patent is invalid due to an onsale bar under 35 U.S.C. § 102(b) as a direct consequence of the '257 patent's defective or ineffective certificate of Without the certificate of correction. correction, they argue, the '257 patent is invalid due to failure to comply with the best mode and enablement requirements of 35 U.S.C. \$ 112, ¶ ]. Therefore, they, argue, the '443 patent should not be entitled to the benefit of the filing date of the '257 patent. According to Harlegum and ECRM, Southwest admitted to selling a software calibration product covered by the '257 and '443 patents more than one year before the filing date of the '443 patent. Having reviewed the record, however, we conclude that Harleonin and ECRM failed to adequately raise this issue before the district court. We therefore consider it waived. See Fisch v. Hughes Aircraft Co., 926 F.2d 1574, 1577, 17 USPO2d 1914, 1916 (Fpd Cir 1991) ( "[A]bsent exceptional circumstances, a party cannot raise on appeal legal issues not raised and considered in the trial forum.").

On cross-appeal, Southwest challenges the jury verdict of normifringement of claim 1 of the '257 patent by ScriptWorks Revision 7, as well as the district cours's denal of a new trial on the issue. Southwest also challenges the district cours' grant of JMOL of normifringement of claim 11 of the '257 patent and claim 10 of the '437 patent by Harlequin's ScriptWorks Revisions 6 and 5.

Harlequin's and ECRM's arguments relating to infringement of the '257 patent'

[11] We review the district court's ruling on a motion for IMCL by reapplying the IMCL standard. See Machinen. Westings Instruments. Inc., 52 F.3d 957, 975, 34 USPO2d 1321, 1326 (Fed.Cir. 1995) (en bane), aff.d. 517, U.S., 370, 116, S.C., 1384, 134

L Ed.2d 577 (1996); Harrington v. Harris, 118 F.3d 359, 367 (5th Cir.1997). We determine whether, "viewing the evidence in the light most favorable to the non-moving party," and giving the non-movant "the benefit of all reasonable inferences," there is sufficient evidence of record to support a jury verdict in favor of the non-movant, Allied Colloids Inc. v. American Cyanumid Co., 64 F.3d 1570, 1573, 35 USPO2d 1840, 1841 (Fed.Cir.1995); Harrington, 118 F.3d at 367. In reviewing the propriety of the grant of JMOL we do not weigh the evidence, consider the credibility of witnesses, or decide \*1298 disputed facts. See Allied Colloids, 64 P.3d at 1573, 35 USPO2d at 1841: Marrington, 118 F.3d at 367. Instead, the test we apply is whether "there can be but one conclusion as to the verdict that reasonable jurors could have reached." Colloids, 64 F.3d at 1573, 35 USPO2d at 1841 (citations and quotations omitted); see Harrington, 118 F.3d at 367.

We have carefully considered all of the issues relating to infringement raised by Hariequin and ECRM. Having done so, we discern no error in the district court's denial of Hariequin's and ECRM's JMOI, motion on the issues of direct infringement of claim 1 of the '257 patent and contributory infringement and inducement of infringement of claim 1 by SoriffWorks Revision 6.

The jury also found infringement on the part of Harlequin and ECRM for supplying or causing to be supplied components of a patented combination outside the United States, in violation of 35 U.S.C. § 271(f). Harlequin and ECRM argue that they cannot be liable as a matter of law for infringement under § 271(f) because there was not substantial evidence of a third party outside the United States actually combining components supplied by them in a manner that would infringe claim I of the 257 patent. They also argue that § 271(f) only covers apparatus claims, and, because claim 1 is a method claim, § 271(f) does not apply. Southwest argues that Harlegum and ECRM waived their \$ 271(f) argument because they did not move for JMOL of nomnfringement under § 271(f) at trial and did not challenge submission of the issue to the jury.

[Jii413] Infringement is a question of fact. See phased Disc. Corp. v. Ded Mar. Astonics, 208 E. 3d 1324, 1333-34. 54. USPO2d. 1289, 1294-95. [Fed. Cut. 2006]. Failing to properly move for IAO. at the close of the evidence procludes a challenge to the sufficiency of the evidence underlying fact fordings. See Young Detail Mfg. Co. v. 20. 3 percial. Prods. Inc. 112 F.3d. 1137, 1141, 42 USPO2d 1589, 1592 Fed Cir. 1997). Here, Barlequin and ECRM did not properly move for IMOL concerning infringement under 8, 273(f). This means that they may not challenge the sufficiency of the evidence on this issue. Moreover, Harlequin's and ECRM's argument concerning the application of 8, 271 to method claims was raised for the first time on appeal, for that reason, we will not consider it. See Sage Prods. Inc. v. Derson Indus. Inc., 126, E.3d. 1426, 1426, 44 USP-02d 1103, 1186 (Fed.Cir. 1897).

Based upon the foregoing, we will not disturb the distract court's denial of Harlequir's and ECRM's mation for IMOL. with respect to the issue of infringement of claim 1 of the '257 patent. We address in Part II below the issue of the validity of chaim 1 of the '257 ratent's

Southwest's challenge to the denial of its request for a new trial

[6][7][8] Turning to Southwest's cross-appeal, we note that the depial of a motion for a new trial is a procedural issue not unique to patent law. Therefore, we apply the law of the regional circuit where the appeal from the district court normally would lie--in this case, the Fifth Circuit. See WMS Canting, Inc. v. International Game Tech., 184 F.3d 1339, 1361, 51 USPO2d 1385, 1401 (Fed.Cir.1999). In the Fifth Circuit, "fifthe decision to grant or deny a motion for a new trial is within the discretion of the trial court and will not be disturbed absent an abuse of discretion or a misapprehension of the law." Prytania Park Hotel, Ltd. v. General Star Indem. Co., 179 F.3d 169, 173 (5th Cir.1999) (citing Mitchell v. Lone Star Ammunition, Inc., 913 F.2d 242, 252 (5th Cir. 1990)). The denial of a motion for new trial will be affirmed "unless, on appeal, the party that was the movent in district court makes a clear showing of an absolute absence of evidence to support the jury's verdict, thus indicating that the trial court ... abused its discretion in refusing to find the jury's verdict contrary to the great weight of the evidence." Rutherford v. Harris County, 197 F.3d 173, 179 (5th Cir.1999) (citanons and quotations omitted). "IR leview of the \*1291 demail of a new trial motion is more limited than when one is granied." Id. (citations and quotations omitted).

[9] Southwest argues that the district court erred by failing to grant its motion for a new trial on the issue of infringement of claim 1 of the '257 patent by ScriptWorks Revision 7. Southwest argues that the jury's verdict was against the great weight of the

226 F.3d 1280 226 F.3d 1280, 56 U.S.P.Q.2d 1161 (Cite as: 226 F.3d 1280)

evidence because the same computer code found in ScriptWorks Revision 6 is still contained in ScriptWorks Revision 7. In response, Harlequin argues that the jury's verdict is supported by substantial evidence and that the district court did not abuse its discretion in denying the motion.

Southwest has not mot its burden on this issue. There was substantial evidence to support the jury's verdict. Specifically, there was evidence indicating that ScriptWorks Revision 7 included a manual step which avoided the automatic selection feature of the patented invention even though the code for automatic selection remained in place. The district court did not abuse its discretion in refusing to grant a new trial. We address in Part III below Southwest's challenge to the district courts' judgment of noninfringement of claim 11 of the '257 patent and chaim 10 of the '453 patent.

II. Harlequiu's and ECRM's Appeal Validity

110] 1. Harkequin's and PCRM's main argument relating to the validity of claim 1 of the '257 patent grows out of the issuance of the second certificate of correction. As noted above, the second certificate of correction was issued to correct the unission of the Program Printout Appendix from the '257 patent.

The "BACKGROUND OF THE INVENTION" section of the '257 patent states that:

Incorporated berein is a computer program listing printout appendix of source code used to generate calibration sets and calibration iransfer functions of a test pattern to enable calibration of halftone output images according to the present invention. Copyright, 1990, Softwest [sic] Software Inc. A portion of the disclosure of this patent document contains material which is subject to copyright protection. The copyright owner has no objection to the facesimile reproduction by anyone of the "Program Printout Appendix", as it appears in the Patent and Trudemark Office Patent file or records, but otherwise reserves all copyright rights whatsoever.

'257 patent, col. 1, U. 8-19.

When it was discovered that the certified boys of the 257 patent was missing the Program Printout Appendix, which contained PostScript code for the calibration feature, Sonlitwest requested that the PTO siste a certificate of correction under 35 U.S.C. § 234 to add the appendix. Southwest stated that the omission was due to a printing mistake by the PTO. It also stated that the error was disclosed in the records of the PTO, and it presented affidavits and Express Mail mailing receipts in support of its claim. As noted above, the PTO granted the request and issued a certificate of correction adding the Program Printout Appendix to the patent. The PTO determined that the appendix had been filed with the application for the '257 patent and that the separation and loss of the appendix, as well as the failure to print the appendix in the issued patent, were the result of an error on its part. The PTO effected the correction by doing two things. First, it added the following senience at the end of the paragraph quoted above: "A complete copy of the Program Printout Appendix is included." Second, it inserted the Appendix after line 63 in column 13 of the patent. immediately before the recitation of the claims. This is the same place at which the Program Printout Appendix appears in the '443 patent.

As in effect during this litigation, 35 U.S.C. & 254, entitled "Certificate of correction of Patern and Trademark Office mistake," provided as follows:

\*1292 Whenever a mistake in a patent, incurred through the fault of the Patent and Trademark Office, is clearly disclosed by the records of the Office, the Commissioner may issue a certificate of correction stating the fact and nature of such mistake, under seal, without charge, to be recorded in the records of patents. A printed copy thereof shall be attached to each printed copy of the patent, and such certificate shall be considered as part of the original patent. Every such patent, together with such certificate, shall have the same effect and operation in law on the trial of actions for causes thereafter arising as if the same had been originally issued in such corrected form. The Commissioner may issue a corrected patent without charge in lieu of and with like effect as a certificate of correction. IFN81

FN8. The only difference between the statute then in effect and the statute in its present form is that "Commissioner" has been replaced with "Director" throughout the statute. See 35 U.S.C.A. \$ 254 (West Supp. 2000).

Harfequin and ECRM argue that the certificate of correction is invalid because it was issued in violation of 35 U.S.C. 8 254. Specifically, they assert that the emission of the Program Printera Appendix from the '257 patent was not "the fault of the [PTO]" and was not "clearly disclosed by the records of the [PTO]" are required by the statute.

226 F.3d 1280 226 F.3d 1280, 56 U.S.P.Q.2d 1161 (Cite as: 226 F.3d 1280)

According to Harlequin and ECRM, the PTO's decision to assue the certificate of correction was improperly based on extrinsic evidence that Southwest submitted in support of its request, and the PTO's records alone do not clearly disclose a mistake by the PTO. Further, they argue that the extrinsic evidence of record actually shows that the omission of the Program Printout Appendix was the fault of Southwest and not the PTO. As a result, Harlequin and PCRM urse that the certificate of correction should be declared invalid as a matter of law. If the certificate of correction is invalid and the Program Printout Appendix is not part of the patent, Harlequin and ECRM ergue, claim 1 of the '257 patent is invalid because the specification fails to satisfy the best mode and enablement requirements of 35 U.S.C. 8 112, ¶ 1. Southwest responds that Harlequin and ECRM never properly raised before the jury or the district court the underlying factual issues relating to the issuance of the certificate of correction and that, in any event, the certificate of correction's issuance was supported by the PTO's internal records and the PTO properly considered extrinsic evidence in deciding to issue the certificate.

[11] Southwest is correct that no evidence was presented to the jury on the issue of whether the PTO properly issued the certificate of correction. Neither did Harlequin and ECRM move for JMOL on the issue at the close of the evidence. Rather, they raised the issue in a post-verdict motion for JMOL. We believe, however, that the issue was properly preserved for consideration by the district court after the jury verdict. In paragraph three of a pre-trial motion in limine. Southwest sought to exclude the introduction of "[a]ny reference to, comment concerning, or evidence pertaining to defendants' allegations of inequitable conduct and unclean hands in front of the jury.... Accordingly, any factual issues related to those claimed defenses concerning the '257 Certificate of Correction should be heard and determined solely by the Court."

At a motions hearing before trial, the parties and the district court appeared to agree that all fact issues ralating to the certificate of correction would be reserved until after trial. The following exchange took place:

MR. WATKINS [counsel for Harlequin]:

I don't have any objection to carving that little piece-is the certificate of correction valid and is there any inequitable conduct relating to the obtaining of the certificate of correction—and

putting it \*1293 off until after we get through with this trial.

. . . . . .

Now, we-we have to decide what we're going to do with the certificate of correction during the trial of this cause. And my suggestion to the court and to counsel is that it's there, it's part of the patent, we just try it and we doe't fight about it it's any good or not, and we just preserve that until we get past of [sio] be end of this trial. Because I think that's the only way we can get to the jury on this. We will have an argument post-verticit about the retroactive effect of any rights that they claim under the certificate of correction, and I just think all of that can wait until then.

. . . . . .

But for purposes of our trial, Judge, I really thinkand I need to have Scott [Kidd, coussel for Southwest] respond to this--that we just bold all that off, you grant his motion in limite that we can't complain about inequitable conduct as it relates to the certificate of correction, and we try the case as though the cartificate of correction is part of the patent, which it is, and then see if we ever really get to that.

MR. KIDD [counsel for Southwest]:

Yes, sir. I think we can do that. I hadrit particularly planned on it being postponed any period of thme, other than perhaps one afterneon during the trial of this case. But specifically, that Paragraph 3 [of the motion in linkine] was relating specifically to the certificate of correction. And I wasn't talking about the original issue of the '257. S I think we can do that.

THE COURT:
All right. Well, I'll grant ... [paragraph] 3 [of the motion in limine] as not consexted... I'm not so sure that this issue isn't going to be a lot more important as some date because-well, it shendfull be but it is, and who-who sustains the detriment of his, her, its or their or thems [sie] conduct, I don't know, but i'fs very difficult to apply all of these concepts in the patent law when you have got a factual matter as screwed up as this one is.

Based upon this collingty, we conclude that the parties agreed, and the district court ruled, that no ovidence would be presented or argument made to the jury with respect to the issues surrounding the certificate of correction. Instead, after trial, Harlequin and ECRM would raise these issues, including the issue of the effectiveness of the certificate of correction in this action. Thus, as far as all validity 226 F.3d 1280 226 F.3d 1280, 56 U.S.P.Q.2d 1151 (Cite as: 226 F.3d 1280)

issues were concerned, the case was to be tried as if the Program Printont Appendix was part of the '257 patent.

At a post-verifici hearing, the district court stated that it considered issues surrounding the certificate of correction to be properly preserved for decision. As far as the menis were concerned, the court determined that the Program Printout Appendix had been misplaced or lost by the PTO and that, therefore, the omission of the appendix from the "257 patent was the fault of the PTO. We discern no clear error in the district courts findings and therefore affirm the ruling that the certificate of correction was not issued in violation of \$\frac{1}{2}\frac{2}{2}\frac{1}{2}\frac{1}{2}\text{The court, however, did not address the issue of the effective dute of the certificate of correction or the consequences if the certificate is one effective for purposes of this said.

[12] 2. In what appears to be an issue of first impression. Harlequin and ECRM renew their alternative argument that, even if the certificate of correction was validly issued, it should not be given any effect in the instant lawsuit. Specifically, they contend that, under the express language of 35 U.S.C. § 254, a certificate of correction is only effective for causes of action arising after it is issued. According to Harloquin and ECRM, because Southwest filed its lawsuit on January 20, 1995, and the certificate of correction was not issued until April 1, 1997, the certificate has no effect in this case and the Program Printout Appendix cannot be considered \*1294 part of the '257 patent. Without the Program Printous Appendix, they assert, the '257 patent violates the best mode and enablement requirements of 35 U.S.C. § 112. § 1. Consequently, claim 1 of the patent is deemed invalid, at least for purposes of this suit.

Southwest responds that the certificate of correction should be treated as if it were effective on the day the 257 patent issued. It contends that the language in 35 U.S.C. § 254 that "such certificate shall be considered as part of the original patent" would be nullified and rendered mere surplusage if the certificate of correction only were to apply prospectively from its issue date. In other words, according to Southwest, the certificate of correction could not be considered "as part of the original patent" if it was only effective as of the date it issued. Southwest urges that the only way to harmonize all parts of \$ 254 is to interpret the statuse to require that "[elvery such patent" relate to "the original patent" so that the "causes thereafter arising" language in the statute refers to causes arising after the date of the original patent.

[13][14] We begin the process of stautory interpretation with the language of the statute. See All Mersels, by Department of Health, & Himan Series, 197 E-34 1144, 1148 (Fed. Cir. 1992) (citing Series, 197 E-34 1144, 1148 (Fed. Cir. 1992) (citing Series, 197 E-34 1544, 1148 (Fed. Cir. 1992)) (citing Fed. Cir. 1990). If the language is clear, the plain meaning is conclusive. See id. a. 1152 (holding that Congressional intent, as clearly expressed in legislative history, could not "truing the irrelitably plain (stantory) language that emerged when Congress actually took pen to paper"). [E-98]

FN9. Neither party cites to the legislative history of 35 U.S.C. \$ 254. This is understandable, as it sheds little light on the issue before as. Section 254 was originally enacted by the Patent Act of 1925. See Patent Act of Mar. 4, 1925, ch. 535, 43 Stat. 1268 (1925) (current version at 35 U.S.C. § 254 (Supp.2000)). Its purpose was "to save time and money and also promote efficiency in the operation of the Patent Office" because, when errors are desected that "are clearly clerical errors ... [the Patent Office will append a certificate of correction to the patent to show that the error was a typographical error, and the certificate explains this, and the certificate obviates the necessity of reprinting the entire patent." 65 Cong. Rec. 6,842-43 (1924) (statement of Rep. Lanham). The statute "saves expense. It saves the reprinting of patents and allows the offering of these amended patents, with these certificates in them, in evidence rather than requiring a reprint of the entire patent." Id. at 6,843. The 1925 version of the statute provided as follows:

That whenever a mistake in a patent or trade-mark registration, incurred through the fault of the Patent Office, is clearly disclosed by the records or files of the office, a certificate, stating the fact and nature of such mistake, signed by the Commissioner of Patents and sealed with the seal of the Patent Office, may be issued. without charge, and recorded in the records of patents or trade-marks, and a printed copy thereof attached to each printed copy of the patent or trade-mark registration, and such certificate shall thereafter be considered as part of the original, and every patent or trade-mark registration, together with such certificate, shall have the same effect and

226 F.3d 1280 226 F.3d 1280, 56 U.S.P.Q.2d 1161 (Cite as: 226 F.3d 1280)

> operation in law on the trial of all actions for causes thereafter arising as if the same had been originally issued in such corrected form. All such certificates heretofare issued in accordance with the rules of the Patent Office and the patents or trade-mark registrations to which they are attached shall have the same force and effect as if such certificates had been specifically authorized by statute.

> Patent Act of Mar. 4, 1925, ch. 535, 43 Stat. 1268-69 (1925) (current version at 35 U.S.C.A. \$ 254 (West Supp. 2000)).

The current version of § 254 is substantially similar to the 1925 statute.

Southwest's cause of action against Harlequin and ECRM arose before the certificate of correction was issued. We hold that the certificate of correction that added the Program Printout Appendix is not to be given effect in this pre-estificate lowsoit. The certificate of correction is only effective for causes of action arising after it was issued. This interpretation of \$2.24 is based upon the language of the statute.

[15] Section 254 provides that "[a] printed copy [of the certificate of correction! \*1295 shall be attached to each printed copy of the paters, and such certificate shall be considered as part of the original patent." 35 U.S.C. § 254. It also provides that "felvery such patent, together with such certificate. shall have the same effect and operation in law on the trial of actions for causes thereafter arising as if the same had been originally issued in such corrected form." Id. (emphasis added). We conclude that this language requires that, for causes arising after the PTO issues a certificate of correction, the certificate of correction is to be treated as part of the original patent-i.e., as if the certificate had been issued along with the original patent. By necessary implication. for causes arising before its issuance, the certificate of correction is not affective.

In order to adopt Southwest's reading of the statute, we would have to conclude that the words "thereafter arising" are used to refer to the date a pattent issues rather than to the date a certificate of correction issues. In our view, there are two main problems with this construction of the statute, First, it does not represent the most instural reading of the statutery language. Put another way, it is not the construction of the statute to which one comes most naturally from the flow of the words and sentences that are used. See Dienka, v., Linked, Sautes, 216, F.3d. 1049, 1053. [Cost Care, 2003. 1.2]. Comparer, Sys., Inc., v. United

States, Int. Trade: Comm.In., 832 F.2d. 588, 590. 4 USBPQ2d, 1705, 1707. [Fed Cir. 1987] (\* 17] his court will not bend or strain the words of a statute to change its meaning unless there is a persuasive and clear showing that Congress did not intend for the letter of the statute to prevail. (\* (quoting Occur Drilling & Exploration Co. v. United States, 220 CCL, 335, 660. F.2d. 1343, 1348 (1979)).

We reject Southwest's argument that the construction of § 2.25 than we have adopted fails to give effect to all parts of the snaune. See United States v. Newtk. Elliace. Inc., 503. U.S. 30, 35, 112. SCI. 1011. 117. LEd.2d. 181. (1992) (stating that it is a 'settler amust, if possible, be construed in such fashion that every word has some operative effect'). We do not believe that our construction of the statute in any way nallifies or renders surplusage the words such certificate of correction is effective—than of the considered part of the original patent." This language plays the role of establishing that, for all circumstances in which the certificate of correction is effective—tamelty, at all times after its issue date—the certificate is considered part of the original patent.

Second, the construction of the statute that is urged by Southwest could produce an illogical and unworkable result. See Timex V.I. Inc. v. United States, 157 F.3d 879, 886 (Fed.Cir.1998) (stating that a statute is to be construed so as to avoid an absurd result if at all possible). For example, a patent with a single claim in means-plus-function form [FN10] might, through a PTO mistake, [FN 11] omit from the specification the structure, material, or acts corresponding to the function recited in the claim. Until the PTO issues a certificate of correction pursuant to 35 U.S.C. § 254 adding the corresponding structure, such a claim would appear invalid to the public, and reasonable competitors would be justified in conducting their affairs accordingly. In such a case, where the claim is invalid on its face without the certificate of correction, it strikes us as an illogical result to allow the patent holder, once the certificate of correction has issued, to sue an alleged infringer for activities that occurred before the issuance of the cortificate \*1296 of correction. Moreover, it does not seem to us to be asking too much to expect a patentee to check a pateni when it is issued in order to determine whether it contains any errors that require the issuance of a ceruficate of correction. In this case, the omission of the Program Printout Appendix from the '257 patent resulted in the absence of approximately 330 pages of text from the specification. It would seem that such an error would

Page |4

226 F.3d 1280 326 F.3d 1280, 56 U.S.P.O.2d 1161 (Cite as: 226 F.3d 1280)

be readily apparent.

FN10, Porsuant to 35 U.S.C. § 112, § 8. "(a)n element in a claim for a combination may be expressed as a means or step for performing a specified function without the recital of structure, material, or acre in support thereof, and such claim shall be construed to cover the corresponding structure, material, or acts described in the specification and equivalents thereof."

FN11. This example assumes that the PTO mistake meets the requirements for issuance of a certificate of correction under 35 U.S.C. \$ 254.

Southwest directs our attention to Eagle Iron Works v. McLanahun Carp., 429 F.2d 1375, 166 USPQ 225 (3d Cir. 1970). It argues that the case supports its contention that, as properly construed, § 254 provides that the certificate of correction is effective for purposes of the lawsuit against Harlegon and ECRM. We disagree. We do not believe that Eagle Iron Works helps Southwest.

The statute at issue in Eagle Iron Works was 35 U.S.C. § 255, entitled "Certificate of gorrection of applicant's mistake." As in effect for purposes of Eagle Iron Works, that statute provided as follows:

Whenever a mistake of a clerical or typographical nature, or of minor character, which was not the fault of the Patent Office, appears in a patent and a showing has been made that such mistake occurred in good faith, the Commissioner may, upon payment of the required fee, issue a certificate of correction, if the correction does not involve such changes in the patent as would constitute new matter or would require re-examination. Such patent, together with the certificate, shall have the same effect and operation in law on the trial of actions for causes thereafter arising as if the same had been originally issued in such corrected form. 35 U.S.C. \$ 255 (1979).

Section 255 contains language concerning "causes thereafter arising" that is nearly identical to that found in § 254 However, § 255 does not contain language similar to that found in § 254 stating that "[a] primed copy thereof shall be attached to each printed copy of the patent, and such certificate shall be considered as part of the original patent." 35 U.S.C. § 254

in Engle Iron Works, Eagle Iron Works ("Eagle")

sued McLanahan Corporation ("McLanahan") for infringement of U.S. Patent No. 3,160,321 (the "321 patent"). Prior to filing suit, Eagle applied to the PTO for a certificate of correction under 35 U.S.C. 8 255 to correct a mistake that had resulted in the inclusion of the word "first" in two claims of the patent. After Engle's suit was filed, the PTO issued the certificate of correction. See Ragle Iron Works. 429 F.2d at 1376 n. 1, 166 USPO at 226 g. 1, In appealing from a judgment of infringement in the district court, McLanahan argued, among other things, that the certificate of correction enlarged the scope of the claims of the '321 patent and that, prior to the issuance of the certificate, its accused product did not infringe. See Id. at 1383, 166 USPO at 231. The Third Circuit affirmed the judgment of infringement. The court held that "[slince ... the Certificate of Correction did not change the scope of the patent and ... it was validly issued pursuant to the statute, [the alleged infringer's] contention that it achieved intervening rights ... must fail." fd. at 1387. 166 USPO at 234.

Eagle Iron Works is not binding precedent on this court, however. See Minnesota Mining & Mfg. Co. v. Norton Co., 929 F.2d 570, 672, 18 USPO2d 1302. 1304 (Fed.Cir.1991) (stating that the Federal Circuit. is "not bound by decisions rendered by other circuit ... courts" for matters within its exclusive subject matter jurisdiction); see also South Corp. v. United States, 690 F.2d 1368, 1370-71, 215 USPO 657, 658 (Fed.Cir.1982) (en banc) (adopting only the jurisprudence of the Court of Claims and the Court of Customs and Patent Appeals because "no body of law established by any other court or set of courts would appear a suitable candidate for adoption."). In any event, we do not find Eagle Iron Works persuasive authority. Significantly, in Eagle \*1297 Iron Works the court did not explain how its holding with respect to the effectiveness of the certificate of correction was supported by the language of § 255. It simply stated: "The statute permits a minor error, when made in good faith, to be corrected. In effect, the correction is given remonstive application in order that intervening rights may not be alleged." Id. Indeed, the Third Circuit, in dicta, recently questioned its decision in Eagle Iron Works, stating: "We are not so confident in the broad ameliorative powers of the certificate of correction." Carnegie Mellan Univ. v. Schwartz, 105 F.3d 863, 867 (3d Cir. 1997).

[16] 3. Southwest's cause of action against Harlequin and ECRM arose before the certificate of correction was issued. Because the certificate of correction is

not effective for purposes of this action, the Program Printout Appendix cannot be considered part of the '257 patent for purposes of this action, because it was added to the patent by the certificate. We thus turn to Harlequin's and ECRM's contempon that, without the Program Printout Appendix, claim 1 of the '257 patent is invalid because the patent's specification fails to satisfy the best mode and enablement requirements of 35 U.S.C. § 112, ¶ 1. As noted above, however, the district court did not address the issue of whether, without the Program Printout Appendix, the '257 patent satisfies the best mode and enablement requirements. The trial was conducted as if the certificate of correction were effective and the Program Printout Appendix were part of the patent. Therefore, because we hold that the certificate of correction is not effective for this lawsuit and consequently the Program Printoet Appendix is not ourt of the patent for this lawsuit, we must remand for the district court to consider Harlequin's and ECRM's contention that claim I was invalid prior to April 1, 1997. Finally, we point out that, for any cause of action arising after April 1, 1997, the date the certificate of correction issued, the certificate will be treated as part of the original patent. Therefore any invalidity arising from the absence of the Program Printout Appendix only affects causes arising before the certificate issued. Put another way, if claim 1 is found to have been invalid without the Program Printout Appendix, the invalidity ceased on April 1, 1997, when the PTO issued the certificate of correction.

[17] 4. All that remains, as far as validity is concerned, are the arguments that claim 1 is invalid for obviousness and is invalid because, as far as the calibration of halftone input images is concerned, the 257 patent fails to meet the enablement, best mode, and written description requirements of 35 U.S.C. § 112. 1. the definiteness requirement of 35 U.S.C. 5. 112. \$ 2, and the utility requirement of 35 U.S.C. 8 101. Harlequin and ECRM did not raise these arguments in a motion for JMOL at the close of all evidence, so they could not renew them after the jury verdict in accordance with Fed. Rule Civ. P. 50. Therefore, they may not oballenge the underlying facis relating to these issues; they may, however, challenge the judgment on the ground that the district court committed an error of law or abused its discretion. See Young Dental, 112 F.3d at 1141, 42 USPO2d at 1592 ("Where a party fails to make a motion for IMOL at the close of the evidence, the sufficiency of the evidence underlying presumed jury findings cannot be challenged through a renewed motion for IMOL or on appeal ... Nonetheless, the

party may challenge the judgment on the ground that the judge committed an error of law or abused his discretion, i.e., it may challenge the judge's logal conclusion on obviousness ... and any other issue that was the province of the court rather than the jury and to which it timely objected at trial.") (citing Jurgens 9. McKasy, 927 F.2d 1552, 1557, 18 USPQ2d 1931. 1035-36 (Fed.Cir.1991)). Here, the determination of nonobviousness comains no legal error or abuse of discretion. The district court "decline dl to find for the defendants on the issuel | of obviousness ... by clear and convincing evidence and accept[ed] the advisory \*1298 verdict of the jury on [this] issue[ ]." We see no legal error in that conclusion. Also, we discern no error in the judgment that the '257 patent is not invalid for lack of enablement, failure to disclose best mode, indefiniteness, lack of an adequate written description, or lack of utility.

III. Southwest's Cross-Appeal
The Grant of JMOL with respect to Claim 11 of the
'257 Parent and Claim 10 of the '443 Parent

[18] Southwest argues that the district court errod by failing to submit the issues of infringement of claim II of the 257 patent and claim II of the 443 patent to the jury, and, instead, entering JMOL of noninfringement of these claims. In particular, it asserts that, because a reasonable jury could find infringement based on a proper claim construction, it was improper to remnt the motion for JMOL.

Southwest focuses its argument on the "manning means" limitation of claims 10 and 11, both of which are apparatus claims. It does so because, in Harlequin's and ECRM's JMOL motion, they asserted that this means-plus-function limitation of claims 10 and 11 was not infringed. Thus, we understand the "mapping means" limitation to be the only limitation in claim 10 of the '443 patent and claim 11 of the '257 patent that is disputed by the parties. Southwest argues that we must construe the "mapping means" limitation in these claims, and that, under a proper construction of the limitation, the "mapping means" is the transfer function executing in the raster image processor for calibrating either positive or negative sense representations. Armed with this construction. Soothwest argues that it presented sufficient evidence for a reasonable jury to find infringement. In particular, it points to testimony by James Burns, the named inventor on the '257 and '443 patents, that Harlequin's ScriptWorks Revisions 6 and 7 infringed both claim 11 of the '257 patent and claim 10 of the '443 patent. It also points to Harlequin's own mantials and testimony by Dr. David Farl, a senior

(Cite as: 226 F.3d 1280) software engineer for Harlequin.

Harlequin and ECRM respond that Southwest failed to present sufficient evidence of infringement of claim 11 of the '257 patent and claim 10 of the '443 Specifically, they assert that Southwest presented no analysis of the structures in the accused Harlequin products that perform the claimed function of "mapping either positive or negative sense representations ... to be output as said calibrated output images on said image bearing media," '443 patent, claim 10. Also, Harlequin argues that Southwest did not dispute the meaning of "mapping means" at the Markman hearing. Therefore, the term should be given its plain meaning. According to Harloquin, the term "mapping means" should be construed to include only a device that calibrates both positive and negative images, not positive ar negative images.

in sun, Harlequin and ECRM argue, Harlequin's products do not perform the function of the "mapping socials" limitation of the claims; therefore, they do not infringe. Also, they argue that Southwest's failure to prove direct infringement by any hird party negates any argument for contributory infringement, inducement of infringement, or infringement under \$3.U.S.C.S. \$271(f).

The district court roled from the bench when it granted Harlequin's motion for JMOL and did not provide any written opinion, so it is not entirely clear under what reasoning the court granfed the motion. In addition, the court did not state at any time its construction of the disputed "mapping means" claim. limitation, in short, the record does not reflect any claim construction or analysis by the district court as to the "mapping means" limitation. Under these circumstances, we are unable to review the decision of the court on this issue. See Graco, Inc. v. Binks Mfg. Co., 60 F.3d 785, 791, 35 USPQ2d 1255, 1259 (Fed.Cir.1995). Accordingly, the judgment of the district court that \*1299 Harlequin and ECRM did not infrange claim 11 of the '257 patent and claim 10 of the '443 patent is vacated and the case is remanded for further proceedings on the infringement issue.

### CONCLUSION Harlequin's and ECRM's appeal

The district court did not err in denying Harlequin's and ECRM's motion for JMOL, that Harlequin's ScriptWorks Revision 6 did not infringe claim 1 of the 7.57 patent. However, we waste the judgment in favor of Southwest their was based upon the jury's

verdict that Harlequin and ECRM rufringed claim 1 of the '257 patent through ScriptWorks Revision 6 and remand the case to the district court for further proceedings. We do so because the certificate of correction that added the Program Printout Appendix to the '257 patent is not effective for purposes of this On remand, the district court must determine whether, in the absence of the Program Printout Appendix, claim 1 of the '257 patent is invalid for purposes of this action because the specification of the '257 patent fails to satisfy the best mode and enablement requirements of 35 U.S.C. 8 112, 4 1. However, this is the only validity issue that will be before the district court on remand in connection with claim 1: we have found no error in the district court's rejection of Harleoun's and ECRM's other challenges to the validity of claim 1 of the '257 patent. If the court determines that claim 1 is invalid for purposes of this action, then Harleggin and ECRM will be cutilied to a judgment of nomnfringement with respect to claim 1. If the court determines that the ' 257 patent is not invalid for purposes of this suit, then Southwest will be entitled to have the judgment of infringement of claim 1 and the resulting award of damages reinstated.

#### Southwest's Cross-appeal

The district court properly denied Southwest's request for a new trial on the issue of infringement of claim 1 of the 257 patent by ScriptWorks Revision 7. However, we vacent the court's grant of Harlequin's and ECRM's motion for JMOL has they did not infringe claim 11 of the 257 patent and claim 16 of the 443 patent and remand for further proceedings on those issues. In the case of claim 11 of the 257 patent, of course, the entry of a judgment of infringement will be subject to the determination of whether, for purposes of this lawsuit, the claim is invalid for the reasons asserted with respect to claim 1. There are no validity issues pending with respect to the 443 patents.

#### VACATED AND REMANDED COSTS

Each party shall bear its own costs.

226 F/3d 1289, 56 U.S.P.O.2d 1161

### Briefs and Other Related Documents (Back to top)

 1999 WL 33631194 (Appellate Brief) Reply Brief for Plaintiff-Cross Appellant Southwest Software, Inc. (Sep. 03, 1999) 226 F.3d 1280 226 F.3d 1280, 56 U.S.P.Q.2d 1161 (Cite as: 226 F.3d 1280)

- 1992 WI 33631158 (Appellate Brief) Repty Brief for Defendants-Appellants, Harlequin Incorporated, Harlequin Limited and Ecrm Trust (Aug. 11, 1999)
- 1999 WL 33631192 (Appellate Brief) Brief for Plaintiff-Cross Appellant Southwest Software, Inc. (Jun. 08, 1999)
- \* 99-1213 (Docket) (Jan. 26, 1999)
- \* 99-1214 (Docket) (Jan. 26, 1999)
- 1999 Wt. 33631156 (Appellate Brief) Brief for Defendants-Appellants, Harlequin Incorporated, Harlequin Limited and Ecrm Trust (1999)

END OF DOCUMENT

Docket No. 21074.0015

Customer No. 41913

## IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

In re Application of: Andrew Egendorf

Patent No. 6,976,008

File Date: October 11, 2001

Group Art Unit: 3624

Certificate FFR 2 1 2006

Application No: 09/975,839

Examiner: D. Felten

of Correction

For: INTERNET BILLING METHOD

ATTN: Certificate of Correction Branch

Commissioner for Patents

P.O. Box 1450

Alexandria, VA 22313-1450

## REQUEST FOR CERTIFICATE UNDER 37 CFR 1.322 AND REQUEST FOR THE EXPEDITED PROCESSING THEREOF

In accordance with the provisions of 37 CFR 1.322 which implement 35 USC \$254, the Patent and Trademark Office is respectfully requested to issue a Certificate of Correction in the above identified patent to correct material errors in the printed patent document.

A single copy of Form PTO/SB/44, listing all of the errors and the corrections thereof, is enclosed.

Also enclosed is a copy of the documentation necessary to process the Certificate of Correction without the File Wrapper. This documentation unequivocally supports Patentee's assertion that all of the errors were incurred through the fault of the Patent and Trademark Office.

In accordance with MPEP \$1480.01 Patentee requests that the Certificate of Correction be issued expeditiously and without cost to the Patentee. Additionally, the Commissioner is authorized to charge Deposit Account No. 50-3024 for the requisite \$130.00 fee for the expedited processing of this Request. Please charge any fees or credit any overpayment to Deposit Account No. 50-3024. A duplicate copy of this Request is enclosed.

because of the nature and extent of the errors set forth below, the Paventet requests that he be resided a red fibbon wantly capy of the corrected patent. When prepared, this may be sent to the below-listed attorney for delivery to the Patentee.

All the drawings shown on the printed patent are incorrect. The correct drawings are shown on the enclosed Form PTO/SB/44. Copies of the correct drawings dated 10/11/01 are included herewith.

Errors in the printed Specification listed on Form PTO/S8/44 as #1-#32 have been marked and numbered on a copy of the patent as issued and on the Specification as originally filed on October 11, 2001. These errors appear in the original Specification as indicated below.

- 1. page 2, last line 2. page 5. line 8
- 3. page 6, line 2
- 4. page 6, line 11
- 5. page 7, lines 1-2
- 6. page 7, line 7
- 7. page 9, line 4
- 8. page 9, line 10 9. page 10, line 6
- 10. page 10, line 8
- 10. page 10, line 8 11. page 10, line 17

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12. page 11, line 4
13. page 13, line 10
14. page 13, lines 12-13
15. page 13, line 14
16. page 13, last line
17. page 15, line 5
18. page 15, lines 19-20
19. page 16, line 8
20. page 16. lines 18-19
21. page 17, line 1
22. page 17, line 2
23. page 17. line 5
24. page 17, line 12
25. page 17, line 18
26. page 18, line 7
27. page 18, last line
28. page 19, line 4
29. page 19, line 17
30. page 20, line 1
31. page 20, line 13
32. page 20, line 14
```

Errors in the printed Claims listed on Form PTO/SB/44 as #33-#57 have been marked and numbered on a copy of the patent as issued and on the Amendment Under Rule 116 filed September 21, 2004. These errors appear in the Amendment as indicated below. A copy of the renumbering of the Claims prepared by the Examiner is included herewith to facilitate the identification of Claims as renumbered from the Amendment to the printed patent.

```
33, page 3, claim 37, line 3 of the claim
                                             issued as claim
34. page 4, claim 40, line 3 of the claim
                                             issued as claim 6
35. page 6, claim 46, line 2 of the claim
                                             issued as claim 11
36. page 6, claim 48, line 2 of the claim
                                             issued as claim 13
37. page 7, claim 56, line 2 of the claim
                                             issued as claim 21
38. page 15, claim 167c), line 6 of 167c)
                                             issued as claim 67
39. page 17, claim 176, line 3 of the claim issued as claim 70
40. page 18, claim 179, line 1 of page 18
                                             issued as claim 71
41. page 18, claim 179f), line 2 of 179f)
                                             issued as claim 71
42. page 19, claim 185, line 5 of the claim
                                             issued as claim 73
43. page 21, claim 191f), line 2 of 191f)
                                             issued as claim 75
44. page 24, claim 203, line 6 of the claim issued as claim 79
45. page 24. claim 203d). line 4 of 203d)
                                             issued as claim 79
46. page 26, claim 210, line 2 of the claim issued as claim 83
47. page 27, claim 216d), line 4 of 216d)
                                             issued as claim 88
```

48.	page	27,	claim	216f),	line	4	of	216f)	issued	a.s	claim	88
49.	page	29,	claim	220b),	line	3	of	220b)	issued	as	claim	90
50.	page	31,	claim	222d),	line	4	of	222d)	issued	8.5	claim	91
51.	page	32,	claim	224d),	line	4	of	224d)	issued	äs	claim	92
52.	page	33,	claim	224f},	line	5	of	224f)	issued	8.5	claim	92
53.	page	33,	claim	226, 11	ine 2	οŝ	tì	ne claim	issued	88	claim	93
54.	page	34,	claim	226f),	line	5	of	226f)	issued	8.8	claim	93
55.	page	35,	claim	228b),	line	3	οf	228b)	issued	as	claim	94
56.	page	35,	claim	228d),	line	å	of	228d)	issued	38	claim	94
57.	page	36,	claim	228, fi	rst .	lin	8 0	n page	issued	83	claim	94

It is respectfully requested that when the above-requested Certificate of Correction has been issued that a certified copy of it be returned to the below-listed attorney for delivery to the Patentee.

Respectfully submitted,

By:

Ira J. Schaefer

Hogan & Hartson, L.L.P. 875 Third Avenue New York, New York 10022 212-918-8223 January 18, 2006 U.S. Petert and Transments Officer U.S. DEPARTMENT OF COMMERCE.

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[Ass. From PTC-1090]

## UNITED STATES PATENT AND TRADEMARK OFFICE CERTIFICATE OF CORRECTION

Page of 7

PATENT NO. : 6,976,008

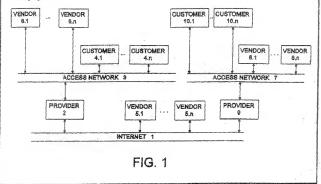
APPLICATION NO.: 09/975,839

ISSUEDATE : December 13, 2005

: Egendorf

It is certified that an error appears or errors appear in the above-identified patent and that said Letters Patent is hereby corrected as shown below:

All 3 Drawing Sheets contain incorrect Figures. Correct Figure 1 appears below, and correct Figures 2 and 3 appear on the following two pages.



MAILING ADDRESS OF SENDER (Please do not use customer number below): Ira Schaefer, Esq. Hogan & Hartson, L.L.P.

375 Third Avenue

New York, New York 10022

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## UNITED STATES PATENT AND TRADEMARK OFFICE CERTIFICATE OF CORRECTION

Page 2 of 7

PATENT NO. : 6,976,008

APPLICATION NO: 09/975,839

ISSUE DATE : December 13, 2005

INVENTOR(S) : Edendorf

it is certified that an error appears or errors appear in the above-identified patent and that said Letters Patent is hereby corrected as shown below:



FIG. 2

MAILING ADDRESS OF SENDER (Please do not use customer number below): Ira Schaefer, Esq. Hogan & Hartson, L.L.P.

375 Third Avenue

New York, New York 10022

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Also Fam. PTC-1995.

## UNITED STATES PATENT AND TRADEMARK OFFICE CERTIFICATE OF CORRECTION

Page 3 of 7

PATENT NO. : 6,976,008

APPLICATION NO.: 09/975,839

ISSUEDATE : December 13, 2005

INVENTOR(S) : Egendorf

It is certified that an error appears or errors appear in the above-identified patent and that said Letters Patent is hereby corrected as shown below:



FIG. 3

MAILING ADDRESS OF SENDER (Please do not use customer number below): Ira Schaefer, Esq.

Hogan & Hartson, L.L.P.

375 Third Avenue

New York, New York 10022

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U.6. Petent and Tredemank Diffice; U.S. DEPARTMENT OF COMMERCE Under the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless it displays a valid CMB control member.

### UNITED STATES PATENT AND TRADEMARK OFFICE CERTIFICATE OF CORRECTION

PATENT NO. : 6.976.008

APPLICATION NO.: 09/975.839

ISSUE DATE December 13, 2005

INVENTOR(9) Edendorf

It is cartified that an error appears or errors appear in the above-identified patent and that said Letters Patent is hereby corrected as shown below:

```
1. Column 1. line 31:
                            "nave" should read --have--.
 2. Column 2. line 12:
                            "exxisting" should read --existing --.
 3. Column 2. line 29:
                            "vender, " should read --vendor, --.
                            "vender, " should read --vendor, --.
 4. Column 2. line 37:
 5. Column 2. lines 50-51:
                            "offer customers" should read
                             -- offer their customers -- .
 6. Column 2, line 56:
                            "chance" should read --change --.
 7. Column 3. line 29:
                            "agrees to the" should read
                             --agrees to do the --.
 8. Column 3, line 35:
                            "vender's" should read --vendor's --.
 9. Column 3. line 53:
                            "or example," should read -- for example, --.
10. Column 3. line 54:
                            "or o a" should read --or to a --.
11. Column 3. line 63:
                            "provider, to the" should read
                             --provider, not the --.
12. Column 4. line 6:
                            "make" should read --made--.
13. Column 4. line 55:
                            "providers" should read --provides --.
14. Column 4. line 57:
                            "Access network, an" should read
                             -- Access network 3 can be a telephone network,
                             a cable television network, an -- .
```

MAILING ADDRESS OF SENDER (Please do not use customer number below): Ira Schaefer, Esq. Hogan & Hartson, L.L.P.

375 Third Avenue

New York, New York 10022

This collection of information is required by 37 CFR 1.322, 1.323, and 1.324. The information is required to obtain or retain a benefit by the public which is to tile (and by the USPTO to proceed) an application. Confidentially is governed by 35 U.S.C. 122 and 37 CPR 1.14. This collection is estimated to take 1.5 hour to

Bits 9) the CSPTO is proceed in agriculture. Confidentially a governed by at U.S.C. 172 att 37 cm 1.14. This crossoon is sufficient and a 1.5 mar. In the CSPTO is proceed in the CSPTO in VA 22313-1450.

U.S. Patient and Tredemark Office; U.S. DEPARTMENT OF COMMERCE

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U.S. Patient and Tredemark Office; U.S. DEPARTMENT OF COMMERCE

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# UNITED STATES PATENT AND TRADEMARK OFFICE CERTIFICATE OF CORRECTION

PATENT NO. : 6,976,008

Page 5 of 7

APPLICATION NO.: 09/975,839

issue DATE : December 13, 2005

MVENTOR(8) : Eqendorf

It is cartified that an error appears or errors appear in the above-identified patent and that said Letters Patent is hereby corrected as shown below:

```
15. Column 4, line 58:
                            "Prodigy, r a" should read -- Prodigy, or a --.
16. Column 4, line 66:
                            "agreement" should read --agreements --.
17. Column 5, line 25:
                            "form" should read -- from -- .
18. Column 5. line 40:
                            "from the vendor" should read
                             -- from the exchange of information taking
                             place between the customer and the vendor -- .
19. Column 5, line 50:
                            "Provider then" should read
                             --Provider 2 then -- .
20. Column 5. line 61:
                            "4.1-4. nand" should read --4.1-4. n and--.
21. Column 5, line 65:
                            "customer" should read --customers -- .
22. Column 5, line 66:
                            "is" should read --in--.
23. Column 6, line 1:
                            "services" should read --service --.
24. Column 6. line 7:
                            "form" should read -- from -- .
25. Column 6, line 14:
                            "form" should read -- from -- .
26. Column 6, line 26:
                            "sued" should read --used ---
27. Column 6, line 39:
                            "VISA, Mastercard" should read
                             --VISA or Mastercard--.
28. Column 6, line 44:
                            "is, t can" should read --is, it can--.
                            "or a" should read --or an--.
29. Column 6, line 57:
```

MAILING ADDRESS OF SENDER (Please do not use customer number below): Ira Schaefer, Esq.
Hogan & Hartson, L.L.F.
375 Third Avenue

New York, New York 18022

This collection of information in required by 3T CER 1.322, 1.223, sert 1.324. The information is required to obtain or mitted a benefit by the public where is to be used by the USEPT to proceed the supplication Confederable by a severeed by 80 USES, 0.122 and 3T CEP 1.14. This collection is estimated to State 1.0 least to complete, including aptivistic, presenting, and submitting the completed replacement from the USEPTIO. There will very depending uson the individual case. Are committed in the successful of the USEPTIO. There will very depending uson the individual case. Are committed in the successful of the USEPTIO. There will very depending uson the individual case. Are committed in the successful of the USEPTIO. There will very depending uson the individual case. Are committed in the successful of the USEPTIO. There will very depending uson to the Individual case. Are committed to the successful of the USEPTIO. There will very depending uson to the Individual case. Are committed to the USEPTIO. There will very depending uson to the Individual case. Are committed to the USEPTIO. There will very depending uson to the Individual case. Are committed to the USEPTIO. There will very depending uson to the Individual case. Are committed to the USEPTIO. There will very depending uson to the Individual case. Are committed to the USEPTIO. There will very depending uson to the Individual case. Are committed to the USEPTIO. There will very depending uson the Individual case. Are committed to the USEPTIO. There will very depending uson the Individual case. Are committed to the USEPTIO. There will very depending uson the Individual case. Are committed to the Individual case. Are committed to the Individual case. Are considered to the Individual case. Are committed to the Individual case. Are considered to the Individual case. Are committed to the Individual case. Are considered to the Individual case. Are

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### UNITED STATES PATENT AND TRADEMARK OFFICE CERTIFICATE OF CORRECTION

Page 6 of 7

PATENT NO. : 6,976,008 APPLICATION NO.: 09/975.839

ISSUE DATE December 13, 2005

INVENTOR(S) : Edendorf

it is certified that an error appears or errors appear in the above-identified patent and that said Letters Patent is hereby corrected as shown below:

```
30. Column 5. line 63:
                            "For" should read -- for -- .
31. Column 7, line 9:
                             "amount" should read --account -- .
32. Column 7. line 9:
                             "with the third" should read --with a third--.
33. Claim 3, line 62:
                            "on Internet" should read -- an Internet -- .
34. Claim 6. line 8:
                            "company an" should read --company, an --.
35. Claim 11, line 61:
                            "preformed" should read --performed --.
36. Claim 13, line 3:
                            "arced" should read --agreed --.
37. Claim 21, line 34:
                            "patty" should read --party--.
38. Claim 67, line 23;
                            "transaction." should read -- transaction; --.
39. Claim 70. line 11:
                            "by to" should read --by the --.
40. Claim 71, line 22:
                            "patty" should read --party--.
41. Claim 71, line 45:
                            "agreement; and" should read --agreement, --.
42. Claim 73. line 61:
                            "vendor a" should read --vendor, a--.
43. Claim 75, line 67:
                            "agreement." should read --agreement, --.
44. Claim 79, line 61:
                            "remitted, to" should read --remitted to--.
45. Claim 79, line 18:
                            "have to" should read --have agreed to --.
46. Claim 83. line 44:
                            "tan" should read -- than --.
47. Claim 88, line 23:
                            "have to" should read --have agreed to --.
48. Claim 88, line 35:
                            "to selling" should read -- to the selling --
```

MAILING ADDRESS OF SENDER (Please do not use customer number below); Ira Schaefer, Esq. Hogan & Hartson, L.L.P. 375 Third Avenue

New York, New York 10022

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### UNITED STATES PATENT AND TRADEMARK OFFICE CERTIFICATE OF CORRECTION

PATENT NO. 6.976.008

APPLICATION NO.: 09/975,839

ISSUE DATE December 13, 2005

INVENTOR(S) : Egendorf

It is certified that an error appears or errors appear in the above-identified patent and that said Letters Patent is hereby corrected as shown below:

49. Claim 90, line 29: 50. Claim 91, line 21: "transaction," should read --transaction; --. "have to" should read --have agreed to--.

51. Claim 92, line 64: 52. Claim 92, line 10:

"have to" should read --have agreed to --. "alter" should read --after ---

53. Claim 93, line 16;

"transaction over" should read --transactions over -- .

54. Claim 93, line 57; 55. Claim 94, c.21, 1.11;

"alter" should read --after --. "transaction; " should read --transaction. --.

56. Claim 94, c.22, 1.4:

"have to" should read --have agreed to--.

57. Claim 94, c.22, 1.17: "alter" should read --after--.

MAILING ADDRESS OF SENDER (Please do not use customer number below): Ira Schaefer, Esq. Hogan & Hartson, L.L.P.

375 Third Avenue

New York, New York 10022

m of information is required by 37 CFR 1,322, 1,323, and 1,324. The information is required to obtain or relatin a hernett by the public which is to the This conficiency of information is required by 3T CPR 1, IZZ2, 1,IZZ3, and 1,1,AX. It is trainmention is required to obtain or extent is present by the USEP to provide by the USEP to PLA. This confidence is estimated to this 10 hour is complete, including activating, requiring, and admitting the completed suplemtion from the USEPTD. This will stury depending upon the individual case. Any completed supplements for models upon the USEPTD. This will stury depending upon the individual case. Any completed supplements for models upon the USEPTD. This will stury depending upon the individual case. Any completed supplements for models upon the USEPTD. This will stury depending upon the individual case. Any completed supplements for models upon the USEPTD. This will stury depending upon the individual case. Any complete case of the USEPTD case of the U VA 22313-1450.

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INTERNET BILLING METECD

#### BACKGROUND OF THE INVENTION

The present invention relates to a method of billing for commercial transactions over the Internet.

The Internet is a wast worldwide interconnection of computers and computer networks. The Internet does not consist of any specific hardware or group of connected computers, rather it consists of those elements that happen to be interconnected at any particular time. The Internet has certain protocols or rules regarding signal transmission and anyone with the proper hardware and software can be part of this interconnection.

At present, the technical and financial requirements for connecting directly to the Internet are beyond the resources of most individuals and thus new businesses known as Internet access providers have proliferated. These providers invest in the equipment needed to provide access to the Internet for subscribers who pay the providers a fee for the access. Providers include companies whose only business is to offer connection to the Internet, as well as on-line services such as Compuserve, American On-Line, and Prodigy. In addition, telephone companies and cable television companie have innounced

transactions over the Internet.

A further object of the present invention is an Internet billing method which is simple to use from both the customer's point of view and that of vendors on the Internet.

yet another object of the present invention is a billing method which can be used by a large number of existing internet users without requiring major changes in how the users customarily behave and conduct commercial transactions.

These and other objects and advantages of the present invention are achieved by an Internet billing method in accordance with the present invention. A provider establishes an agreement with a customer, and a second agreement with a vendor, wherein the provider agrees with the customer and the vendor to bill for products and services purchased over the Internet by the customer from the vendor. Associated with the customer agreement are one or more billing accounts to which purchases may be charged. Associated with the vendor agreement are one or more methods of remitting funds to the vendor. The provider creates access to the Internet for the customer through the

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provider's equipment. When the customer orders a product or service over the internet from the vendor, the provider obtains transactional information transmitted between the customer and the vendor including a transaction amount relating to the ordered product or service and the provider then bills the transaction amount to a customer billing account and remits a portion of the transaction amount to the vendor.

Which accounts are used may be specified in the agreements made between the provider and the customer and between the provider and the vendor, or may be specified in the transactional information. If specified in the transactional information, the selection of account can be made by referencing the type of account (e.g., "VISA", "phone bill"), or the position of that account on a predetermined list (e.g., "the 3rd account"), and does not require that any actual account numbers be transmitted.

By the use of this method, there is no need for the customer to transmit over the Internet any information containing any of the customer's billing account numbers thereby maintaining the security of that information.

The present invention, in a preferred embodiment,

is a method of providing merchants with the ability to offer their customers secure transactions for the purchase of goods and services of any value over the Internet, without the need for the customer to transmit any credit card or other account numbers over the Internet, without the need for the customer to sign up wich any additional provider of services, and without the need to change the manner in which most customers currently use the Internet.

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In accordance with the present invention, a customer desiring to purchase goods and services over the Internet has prearranged access to the Internet through the services of an Internet access provider. Such providers can be, for example, companies whose only business is to offer connection to the Internet, companies which offer on-line computer services, one of which is connection to the Internet, cable television companies, or telephone companies. In arranging for access with such a provider, the customer has agreed with the provider on a method of payment which is, for example, by billing, or charge to a credit card, or charge to an account of the user which could be an account specific to the Internet or could be a more general account, such as an on-line computer services

In accordance with the present invention, the provider has made argandements with vendors who wish to sell goods and services over the Internet to the customers of the provider. The provides agrees to do the billing associated with such sales for the vendors, and as part of the agreement, the provider and the vendor have agreed on the manner in which the provider will remit funds to the wendor. Examples of payment include payment by check, credit to the vendor's credit card merchant account, or credit to another account of the vendor's, such as the vendor's pable television account, telephone account, or bank account. The account of the vendor to be credited need not be with the provider. The arrangements that are made will depend on the vendor's desires and the capabilities of the provider. For example, if the vendor anticipates many small transactions and the provider is a telephone company, they can agree that the provider will credit the vendor's existing telephone account for amounts under some nominal amount and credit the vendor's credit card merchant account for larger amounts. If the vendor anticipates large transactions, then they may agree that the provider will pay by check or direct credit to the 'vendor's bank account.

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In a typical transaction in accordance with the present invention, from the customer's point of view all use of the Internet appears to be conventional. Depending upon the prearrangements made between the provider and the customer and between the provider and the vendor, the customer can charge a purchase, for example, to a cradit card, to a cable television account, to a telephone account or to a bank account. The account of the customer to be billed need not be with the provider. For example, the customer may be using one telephone company as an access provider and a second telephone company as a telephone service provider and the account to be billed is that with the second telephone company. The customer specifies which account is to be billed by an indication to the provider, but neither the customer nor the vendor has to transmit any account numbers over the Internet, because it is the provider, not the vendor, who submits the charge to the 11. credit card company, the cable television company, the telephone company, or to another account of the customer, or who debits the bank account of the customer, and the provider already has been given, during the course of making prearrangements with the customer and the vendor, the

appropriate account numbers of both the customer and the vendor. The provider sends this information to the appropriate party, and may do so by the same secure means customarily used for similar transactions not made over the Internet.

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from the vendor's point of view, the transaction is as secure as a transaction made over the telephone with a credit card. If the vendor wishes, the vendor may verify with the provider that the address supplied by the customer for shipment of the goods has been authorized by the customer in the same manner in which such verification would be made for the same transaction made over the telephone with a credit card. In addition, because such a verification does not require the transmission of any account numbers of the customer, the verification can be done over the Internet as part of the transaction transmission itself if the provider and the vendor have prearranged to do so.

From the provider's point of view, the provider is made aware that the customer has authorized the charge by monitoring the data being sent over the Internet through the provider's equipment between the customer and the vendor.

## DETAILED DESCRIPTION OF THE INVENTION

Referring to Fig. 1, a system for carrying out the method of the present invention is shown. In that system, the internet is shown schematically as network 1 to which providers 2, 9, vendors 5.1-5.n, 6.1-6.n and 8.1-8.n, and customers 4.1-4.n and 10.1-10.n (where n is an integer to indicate a range from one to many) are connected in different ways.

provider 2 is connected to access network 3 and
the Internet 1 and provides access to the Internet 1 for
customers 4.1-4.n and vendors 6.1-5.n connected to access
network 3. Access network 3 can be a telephone network, a
cable television network, an on-line services network such
as Compuserve, American On-Line, or Grodigy, or a private
Internet access network. Similarly, provider 9 is connected
to access network 7 and the Internet 1 and provides access
to the Internet 1 for customers 10.1-10.n and vendors 8.18.n. Vendors 5.1-5.n access the Internet directly by their
own equipment.

In accordance with the method shown in the flow chart of Fig. 2, for example, in step 11 provider 2 establishes agreements with vendors 5.1-5.m who are

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interface with any one of vendors 5.1-5.m, 6.1-6.m and 8.1-8.m in order to find our about products or services offered by those mendors.

When one of customers 4.1-4.n makes the decision to order a product or service from the of vendors 5.1-5.n.

6.1-6.n and 8.1-8.n. in step 13 an exchange of transactional information occurs between the customer and the vendor.

This exchange may include identifying information relating to the customer, such as the customer's Internet address, information relating to the products or services to be purchased, including the transaction amount, the manner and time of delivery, and a reference number to identify the order. The vendor or the customer also can produce a verification code signifying that a transaction has been completed which can be received by provider 2.

In step 14, the transactional information is obtained by provider 2. The communication can be a separate transmission by the vendor or the customer to provider 2, or provider 2 can extract the information from the exchange of information taking place between the customer and the vendor through equipment of provider 2. Provider 2 can then send verifying information to one or both of the customer and

18.

vendor to indicate that the transaction has been approved, if approval of a third party, such as credit card company, is required. Most importantly, the entire transaction takes place without the need of communicating the customer's credit card or other account number over the Internet 1.

The product or service is delivered to the customer in step 15 and the appropriate customer account is billed by provider 2 in step 16. Provider 2 then remits the agreed payment in the appropriate manner to the vendor in step 17, keeping the differential as a service charge for the services rendered by provider 2. Steps 15, 16 and 17 may be performed in any order.

As can be seen from Fig. 1, the method according to the present invention can be carried out in many ways.

For example, referring to Fig. 3, vendor 5.1 in step 21 can establish remitting agreements with provider 2 and provider 9 to remit to vendor 5.1 a portion of a transaction amount billed to the billing account of any one of customers 4.1-4.0 and 10.1-10.0.

Similarly, each of vendors 5.1-6.n can establish a remitting agreement with provider 9 for transactions carried out over the Internet between each of vendors 6.1-6.n and

20





Customers 10.1-10.n.

A customer connects to the Internet in step 22.

The customer exchanges transactional information with the vendor in step 23 and the vendor delivers a product or services to the customer in step 25, either before or after 23.

the vendor receives remittances from the provider in step

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In accordance with another feature of the present invention, prior to the billing of the transaction amount to the account of the customer, and after obtaining the transactional information, the provider can obtain approval from a third party to bill the transaction amount to the billing account. This is particularly true in the case where the billing account is a credit card account or a bank account. In that instance, approval must be obtained from a third party, i.e., the bank issuing the credit card or with whom the bank account was established. Where the account is with the provider, approval would be obtained from provider itself. In a preferred embodiment of the present invention, the approval can be obtained over the Internet and most preferably during the communication between the customer and the vendor.

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In accordance with a further feature of the present invention, the customer can specify a particular billing account, for example, a credit card account, a bank account, a telephone number account, a cable television account or an on-line services account at the time that the billing agreement is established with the provider. The specificacion can provide that one account will be used certain transactions, and a different account for other transactions, for example, a telephone account for transactions less than \$5.00, and a bank account for transactions of at least \$5.00. Thereafter, whenever the transaction amount is to be billed, it will be billed to that specified billing account. Alternatively, the customer can specify a plurality of billing accounts, for example, an AMEX account, a VISA account, a Mastercard account at the time that the billing agreement is established. When the transactional information is communicated, it will include an identification of which of those plurality of billing accounts the customer wants billed, without, however, specifying the account number of the account. Thus the customer can merely indicate the account by the "brand" name AMEX. (VISA or Mastercard by the customer can identify it as

26

the first account, second account or third account on a list previously established with the provider.

As noted above, the billing account is not necessarily with the provider, that is, it can be wich a third party such as a bank issuing a credit card, or a bank at which the customer has a bank account. Alternatively, the provider can be a first telephone company, but the billing account can be with a second telephone company and charged by the first telephone company to the telephone number account of the customer with the second telephone company, as is customarily done in connection with conventional telecommunications services.

In accordance with the invention, the remitting can be by means of sending money or by crediting a vendor account such as a credit card merchant account, a bank account, a telephone number account, a cable television account or an on-line services account.

In a preferred embodiment of the present invention, the step of establishing the remitting account comprises specifying a particular vendor account to which the portion of the cransaction amount will be remitted. The specification can provide that one account will be used

ZB.

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for certain transactions, and a different account for other transactions. for example, a telephone account for transactions less than \$5.00, and a bank account for transactions of at least \$5.00. In an alternative embodiment of the present invention, the step of establishing the remitting agreement comprises the vendor specifying a plurality of vendor accounts to which a portion of the transaction account can be remitted. Thus when the transactional information is communicated, the vendor can identify which one of the plurality of vendor accounts the amount is to be remitted to without, however, specifying the specific account number.

The vendor account can be an account with the provider or an account with a third party such as a credit card merchant account, or bank account, with a bank, or a cable television account with a cable television company.

It is understood that the embodiments described hereinabove are merely illustrative and are not intended to limit the scope of the invention. It is realized that various changes, alterations, rearrangements and modifications can be made by those skilled in the art without substantially departing from the spirit and scope of

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## MARK-UP OF ERRORS #33-57

CERTIFICATE OF MAILING

I hereby carriefy that this correspondence is being deposited with the United States Post Office as first class mail in an environment to: Commissioner for Petents, P.O. Box 1450 Alexandrie , VA.22313-

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Docket No. 21074,0015

Customer No. 41913

### IN THE UNITED STATES PATENT AND TRADEMARK OFFICE.

In re Application of: Andrew Egendorf

Filed:

October 11, 2001

Group Art Unit: 3624

Serial No:

09/975.839

Examiner:

D. Felten

For

INTERNET BILLING METHOD

### AMENDMENT UNDER RULE 116

Commissioner for Patents P.O. Box 1450 Alexandria, VA 22313-1450

Sir

In response to the Office Action of June 4, 2004, kindly enter the following:

Amendments to the Claims begin on page 2. Remarks begin on page 37 of this paper.

 remitting the second amount to the selling vendor in accordance with the remitting agreement,

wherein after establishing the billing agreement the third party does not transfer ownership of the product or service from the selling vendor to the purchasing oustomer.

- 33. (canceled)
- 34. (canceled)
- 35. (previously presented) The method according to claim 32, wherein no credit card account number of the purchasing customer and no bank account number of the purchasing customer is transmitted over the Internet by the third party to the selling vendor prior to the step of remitting.
  - 36. (canceled)
- 37. (previously presented) The method according to claim 31, 32, 33, 34, 35, or 36, 32 or 35, wherein the third party is a cable television company, a company offering financial services an internet occass provider, or a telephone company.

38. (previously presented) The method according to claim 37, further comprising the step of obtaining approval for charging the first amount from a party other than the purchasing customer and the selling vendor prior to the step of charging.

33

39. (previously presented)

The method according to claim 38, wherein the party other than the purchasing customer and the selling vendor is a bank, a company offering financial services, a credit card company, an Internet access provider, or the third party.

40. (previously presented) The method according to claim 37, wherein the step of charging comprises sending a bill or charging an account with a bank, a cable television company, a company offering financial services, a credit card company, an internet access provider, a telephone company, or the third party.

34.

- 41. (previously presented) The method according to claim 37, wherein the step of remitting comprises sending a check or crediting an account with a bank, a cable television company, a company offering financial services, a credit card company, an Internet access provider, a telephone company, or the third party.
- 42. (previously presented) The method according to claim 37, wherein the second amount is less than the first amount.
- 43. (previously presented) The method according to claim 37, wherein the step of remitting is performed before the step of charging.

### 44. (canceled)

45. (currently amended) An Internet billing method for a plurality of customers and a plurality of vendors of products or services for transactions over the Internet between a purchasing customer of the plurality of customers and a selling vendor of the plurality of vendors, wherein, for each purchase transaction of a product or service between the purchasing customer and the selling vendor, a first amount is charged to the purchasing customer and a second amount is remitted to the selling vendor, the method comprising the steps by a third party company offering financial services of:

- 46. (currently amended) The method according to any one of claims 31-36 and 4445; 32, 35, and 45, wherein the step of receiving if performed after the purchasing customer and
  the selling vendor have agreed to enter into the purchase transaction.
- 35.
- 47. (previously presented) The method according to claim 37, wherein the step of receiving is performed after the purchasing customer and the selling vendor have agreed to enter into the purchase transaction.
- 48. (previously presented) The method according to claim 38, wherein the step of receiving is performed after the purchasing customer and the selling vendor have agreed benter into the purchase transaction.
- 49. (previously presented) The method according to claim 39, wherein the step of receiving is performed after the purchasing customer and the selling vendor have agreed to enter into the purchase transaction.
- 50. (previously presented) The method according to claim 40, wherein the step of receiving is performed after the purchasing customer and the selling vendor have agreed to enter into the purchase transaction.
- 51. (previously presented) The method according to claim 41, wherein the step of receiving is performed after the purchasing customer and the selling vendor have agreed to enter into the purchase transaction.
- 52. (previously presented) The method according to claim 42, wherein the step of receiving is performed after the purchasing customer and the selling vendor have agreed to enter into the purchase transaction.

54. (currently amended) The method according to any one of claims 31-36 and 44-45, 32, 35, and 45, wherein the step of establishing a remitting agreement does not require the third party to charge the purchasing customer.

55. (previously presented) The method according to claim 37, wherein the step of establishing a remitting agreement does not require the third party to charge the purchasing customer.

56. (previously presented) The method according to claim 38, wherein the step of establishing a remitting agreement does not require the third party to charge the purchasing customer.

The method according to claim 39, wherein the step of establishing a remitting agreement does not require the third party to charge the purchasing 37.

58. (previously presented) The method according to claim 40, wherein the step of establishing a remitting agreement does not require the third party to charge the purchasing customer.

customer.

57. (previously presented)

98 (previously presented) The method according to claim 66, wherein after the step of establishing a billing agreement the third party does not approve an agreement between the purchasing customer and the selling vendor to enter into the purchase transaction.

99. (previously presented) The method according to claim 67, wherein after the step of establishing a billing agreement the third party does not approve an agreement between the purchasing customer and the selling vendor to enter into the purchase transaction.

100. (previously presented) The method according to claim 68, wherein after the step of establishing a billing agreement the third party does not approve an agreement between the purchasing customer and the selling vendor to enter into the purchase transaction.

101. (previously presented) The method according to claim 69, wherein after the step of establishing a billing agreement the third party does not approve an agreement between the purchasing customer and the selling vendor to enter into the purchase transaction.

102.-165. (canceled)

166. (canceled)

An Internet billing method for a plurality of customers and a plurality of vendors of products or services for transactions over the Internet between a purchasing customer of the plurality of customers and a selling vendor of the plurality of vendors, wherein, for each purchase transaction of a product or service between the purchasing customer and the selling vendor, a first amount is charged to the purchasing customer and a second amount is remitted to the selling vendor, the method comprising the steps by a third party to the purchase transaction of:

- a) establishing a billing agreement with the purchasing customer to permit the third party to charge the purchasing customer and to remit to a selling vendor for a purchase transaction;
- b) establishing a remitting agreement with the selling vendor to permit the third party to charge a purchasing customer and to remit to the selling vendor for a purchase transaction;
- c) providing a communications link over the Internet between the purchasing outstomer and the selling vendor to permit the purchasing outstomer to request information from the selling vendor with respect to the product or service; providing a communications link through equipment of the third party between the purchasing customer and the selling vendor to permit the purchasing customer to communicate over the internet with the selling vendor concerning the purchase transaction;

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- d) receiving authorization over the Internet from the purchasing customer to charge the first amount to the purchasing customer without previously receiving a request from the selling vendor to charge the first amount to the purchasing customer, wherein receiving authorization is performed after the purchasing customer and the selling vendor have agreed to enter into the purchase transaction;
- c) charging the first amount to the purchasing customer in accordance with the billing agreement; and
- remitting the second amount to the selling vendor in accordance with the remitting agreement.

168. (canceled)

169. (canceled)

170. (previously presented) The method according to claim 167, wherein no credit card account number of the purchasing customer and no bank account number of the purchasing

- d) receiving authorization over the Internet from the purchasing customer to charge the first amount to the purchasing customer without previously receiving a request from the selling vendor to charge the first amount to the purchasing customer;
- c) charging the first amount to the purchasing customer in accordance with the billing agreement; and
- f) remitting the second amount to the selling vendor in accordance with the remitting agreement.
  - 174. (canceled)
  - 175. (canceled)
- 176. (previously presented) The method according to claim 173, wherein no credit card account number of the purchasing customer and no bank account number of the purchasing customer is transmitted over the Interne by the hird party to the selling vendor prior to the step of remitting.

- 177. (canceled)
- 178. (canceled)
- An internet billing method for a plurality of customers and a plurality of vendors of products or services for transactions over the Internet between a purchasing customer of the plurality of customers and a selling vendor of the plurality of vendors, wherein, for each purchase transaction of a product or service between the purchasing customer and the selling vendor, a first amount is charged to the purchasing customer and a

41.

second amount is remitted to the selling vendor, the method comprising the steps by a thir part to the purchase transaction of:



- a) establishing a billing agreement with the purchasing customer to permit the third party to charge the purchasing customer and to remit to a selling vendor for a purchase transaction;
- b) establishing a remitting agreement with the selling vendor to permit the third party to charge a purchasing customer and to remit to the selling vendor for a purchase transaction;
- c) providing a communications link over the internet between the purchasing customer and the selling vendor to permit the purchasing sustamer to request information from the selling vendor with respect to the product or service; providing a communications link through equipment of the third party between the purchasing customer and the selling vendor to permit the purchasing customer to communicate over the Internet with the selling vendor concerning the purchase transaction:
- d) receiving authorization over the Internet from the purchasing customer to charge the first amount to the purchasing customer without previously receiving a request from the selling vendor to charge the first amount to the purchasing customer;
- e) charging the first amount to the purchasing customer in accordance with the billing agreement; and
- f) remitting the second amount to the selling vendor in accordance with the remitting agreement,

wherein after establishing the billing agreement the third party does not approve an agreement between the purchasing customer and the selling vendor to enter into the purchase transaction

- 180, (canceled)
- 181. (canceled)

42.

182. (previously presented) The method according to claim 179, wherein no credit card account number of the purchasing customer and no bank account number of the purchasing customer is transmitted over the Internet by the third party to the selling vendor prior to the step of remitting.

- 183. (canceled)
- 184. (canceled)
- 185. (currently amended) An Internet billing method for a plurality of customers and a plurality of vendors of products or services for transactions over the Internet between a purchasing customer of the plurality of customers and a selling vendor of the plurality of vendors, wherein, for each purchase transaction of a product or service between the purchasing customer and the selling vendor, a first amount is charged to the purchasing customer and a second amount is remitted to the selling vendor, the method comprising the steps by a third party to the purchase transaction of:
- a) establishing a billing agreement with the purchasing customer to permit the third party to charge the purchasing customer and to remit to a selling vendor for a purchase transaction;
- b) establishing a remitting agreement with the selling vendor to permit the third party to charge a purchasing customer and to remit to the selling vendor for a purchase transaction, wherein the remitting agreement does not require the third party to charge the purchasing customer;
- c) providing a communications link over the Internet between the purchasing outstomer and the solling vendor to permit the purchasing outstomer to request information from the solling vendor with respect to the product or service; providing a communications link through equipment of the third party between the purchasing customer and the selling vendor to permit

the purchasing customer to communicate over the internet with the selling vendor concerning the purchase transaction;

d) receiving authorization over the Internet from the purchasing customer to charge the first amount to the purchasing customer without previously receiving a request from the selling vendor to charge the first amount to the purchasing customer, wherein receiving authorization is performed after the purchasing customer and the selling vendor have agreed to enter into the purchase transaction;

 c) charging the first amount to the purchasing customer in accordance with the billing agreement; and

 remitting the second amount to the selling vendor in accordance with the remitting agreement.

186. (canceled)

187. (canceled)

188. (previously presented) The method according to claim 185, wherein no credit card account number of the purchasing customer and no bank account number of the purchasing customer is transmitted over the Internet by the third party to the selling vendor prior to the step of remitting.

189. (canceled)

190. (canceled)

191. (currently amended) An Internet billing method for a plurality of customers and a plurality of vendors of products or services for transactions over the Internet between a purchasing customer of the plurality of customers and a selling vendor of the plurality of vendors, wherein, for each purchase transaction of a product or service between the purchasing customer and the selling vendor, a first amount is charged to the purchasing customer and a second amount is remitted to the selling vendor, the method comprising the steps by a third party to the purchase transaction of:

- a) establishing a billing agreement with the purchasing customer to permit the third party to charge the purchasing customer and to remit to a selling vendor for a purchase transaction;
- b) establishing a remitting agreement with the selling vendor to permit the third party to charge a purchasing customer and to remit to the selling vendor for a purchase transaction;
- c) providing a communications link over the Interact between the purchasing outcomer and the selling vendor to permit the purchasing outcomer to request information from the selling vendor with respect to the product or service; providing a communications link through equipment of the third party between the purchasing customer and the selling vendor to permit the purchasing customer to communicate over the Internet with the selling vendor concerning the purchase transaction;
- d) receiving authorization over the Internet from the purchasing customer to charge the first amount to the purchasing customer without previously receiving a request from the selling vendor to charge the first amount to the purchasing customer, wherein receiving authorization is performed after the purchasing customer and the selling vendor have agreed to enter into the purchase transaction;
- c) charging the first amount to the purchasing customer in accordance with the billing agreement; and
- f) remitting the second amount to the selling vendor in accordance with the remitting agreement,

wherein after establishing the billing agreement the third party does not approve an agreement between the purchasing customer and the selling vendor to enter into the purchase transaction.

203. (currently amended) An Internet billing method for a plurality of customers and a piurality of vendors of products or services for transactions over the Internet between a purchasing customer of the plurality of customers and a selling vendor of the plurality of vendors, wherein, for each purchase transaction of a product or service between the purchasing customer and the selling vendor, a first amount is charged to the purchasing customer and a second amount remitted to be selling vendor, the method comprising the steps by a third party to the purchase transaction of:

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- a) establishing a billing agreement with the purchasing customer to permit the third party to charge the purchasing customer and to remit to a selling vendor for a purchase transaction;
- b) establishing a remitting agreement with the selling vendor to permit the third party to charge a purchasing customer and to remit to the selling vendor for a purchase transaction, wherein the remitting agreement does not require the third party to charge the purchasing customer;
- c) providing a communications link over the Internet between the purchasing outcomer and the selling vendor to permit the purchasing outcomer to request information from the selling vendor with respect to the product or service; providing a communications link through equipment of the third party between the purchasing customer and the selling vendor to permit the purchasing customer to communicate over the Internet with the selling vendor concerning the purchase transaction;
- d) receiving authorization over the Internet from the purchasing customer to charge the first amount to the purchasing customer without previously receiving a request from the selling vendor to charge the first amount to the purchasing customer, wherein receiving authorization is performed after the purchasing customer and the selling vendo have agreed to after into the purchase transaction;

#### 202. (canceled)

203. (currently amended) An Internet billing method for a plurality of customers and a plurality of vendors of products or services for transactions over the Internet between a purchasing customer of the plurality of customers and a selling vendor of the plurality of vendors, wherein, for each purchase transaction of a product or service between the purchasing customer and the selling vendor, a first amount is charged to the purchasing customer and a second amount if cemitted to be selling vendor, the method comprising the steps by a third party to the purchase transaction of:

44.

- a) establishing a billing agreement with the purchasing customer to permit the third party to charge the purchasing customer and to remit to a selling vendor for a purchase transaction:
- b) establishing a remitting agreement with the selling vendor to permit the third party to charge a purchasing customer and to remit to the selling vendor for a purchase transaction, wherein the remitting agreement does not require the third party to charge the purchasing customer;
- c) providing a communications link over the Internet between the purchasing outcomer and the selling vender to permit the purchasing outcomer to request information from the selling vender with respect to the product or service; providing a communications link through equipment of the third party between the purchasing customer and the selling vendor to permit the purchasing customer to communicate over the Internet with the selling vendor concerning the purchase transaction;
- d) receiving authorization over the Internet from the purchasing customer to charge the first amount to the purchasing customer without previously receiving a request from the selling vendor to charge the first amount to the purchasing customer, wherein receiving authorization is performed after the purchasing customer and the selling vendo have agreed to inter into the purchase transaction;

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210. (previously presented) The method according to claim 209, wherein the party other than he purchasing customer and the selling vendor is a bank, a company offering financial services, a credit card company, an Internet access provider, or the third party.

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- 211. (previously presented) The method according to claim 208, wherein the step of charging comprises sending a bill or charging an account with a bank, a cable television company, a company offering financial services, a credit card company, an Internet access provider, a telephone company, or the third party.
- 212. (previously presented) The method according to claim 208, wherein the step of remitting comprises sending a check or crediting an account with a bank, a cable television company, a company offering financial services, a credit card company, an Internet access provider, a telephone company, or the third party.
- 213. (previously presented) The method according to claim 208, wherein the second amount is less than the first amount.
- 214. (previously presented) The method according to claim 208, wherein the step of remitting is performed before the step of charging.

215. (canceled)

216. (currently amended) An internet billing method for a plurality of customers and a plurality of vendors of products or services for transactions over the Internet between a purchasing customer of the plurality of customers and a selling vendor of the plurality of vendors, wherein, for each purchase transaction of a product or service between the purchasing

customer and the selling vendor, a first amount is charged to the purchasing customer and a second amount is remitted to the selling vendor, the method comprising the steps by a third party company offering financial services of:

- a) establishing a billing agreement with the purchasing customer to permit the company offering financial services to charge the purchasing customer and to remit to a selling vendor for a purchase transaction;
- b) establishing a remitting agreement with the selling vendor to permit the company offering financial services to charge a purchasing customer and to remit to the selling vendor for a purchase transaction;
- c) providing a communications link over the Internet between the purchasing outcomer and the selling vender to permit the purchasing outcomer to request information from the selling vender with respect to the product or service; providing a communications link through equipment of the third party between the purchasing customer and the selling vendor to permit the purchasing customer to communicate over the Internet with the selling vendor concerning the purchase transaction;
- d) receiving authorization over the Internet from the purchasing customer to charge the first amount to the purchasing customer without previously receiving a request from the selling vendor to charge the first amount to the purchasing customer, wherein receiving authorization is performed after the purchasing customer and the selling vendor have agreed to enter into the purchase transaction;

 e) charging the first amount to the purchasing customer in accordance with the billing agreement by charging a bank account, a credit card account, or an account with the company offering financial services; and

f) remitting the second amount to the selling vendor in accordance with the remitting agreement without previously transmitting a credit card account number of the purchasing customer over the Internet to the selling vendor and without previously transmitting a bank account number of the purchasing customer over the Internet to the selling rendor.

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- e) charging the first amount to the purchasing customer in accordance with the billing agreement by charging a bank account, a credit card account, or an account with the company offering financial services; and
- f) remitting the second amount to the selling vendor in accordance with the remitting agreement without previously transmitting a credit card account number of the purchasing customer over the internet to the selling vendor and without previously transmitting a bank account number of the purchasing customer over the internet to the selling vendor.

#### 219. (osnceled)

- 220. (currently amended) An Internet billing method for a plurality of customers and a plurality of vendors of products or services for transactions over the Internet between a purchasing customer of the plurality of customers and a selling vendor of the plurality of vendors, wherein, for each purchase transaction of a product or service between the purchasing customer and the selling vendor, a first amount is charged to the purchasing customer and a second amount is remitted to the selling vendor, the method comprising the steps by a third party company offering financial services of:
- a) establishing a billing agreement with the purchasing customer to permit the company offering financial services to charge the purchasing customer and to remit to a selling vendor for a purchase transaction;
- b) establishing a remitting agreement with the selling vendor to permit the company offering financial services to charge a purchasing customer and to remit to the selling vendor for a purchasi transaction;
- c) providing a communications link over the Internet between the purchasing customer and the selling vendor to permit the purchasing customer to request information from the selling vendor with respect to the product or service; providing a communications link through equipment of the third party between the purchasing customer and the selling vendor to permit

the purchasing customer to communicate over the Internet with the selling vendor concerning the purchase transaction;

- d) receiving authorization over the Internet from the purchasing customer to charge the first amount to the purchasing customer without previously receiving a request from the selling vendor to charge the first amount to the purchasing customer;
- e) charging the first amount to the purchasing customer in accordance with the billing agreement by charging a bank account, a credit card account, or an account with the company offering financial services; and
- f) remitting the second amount to the selling vendor in accordance with the remitting agreement without previously transmitting a credit card account number of the purchasing customer over the Internet to the selling vendor and without previously transmitting a bank account number of the purchasing customer over the Internet to the selling vendor,

wherein after establishing the billing agreement the company offering financial services does not approve an agreement between the purchasing customer and the selling vendor to enterinto the purchase transaction.

#### 221. (canceled)

222. (currently amended) An Internet billing method for a plurality of customers and a plurality of vendors of products or services for transactions over the Internet between a purchasing customer of the plurality of customers and a selling vendor of the plurality of vendors, wherein, for each purchase transaction of a product or service between the purchasing customer and the selling vendor, a first amount is charged to the purchasing customer and a second amount is remitted to the selling vendor, the method comprising the steps by a third party company offering financial services of:

- a) establishing a billing agreement with the purchasing customer to permit the company offering financial services to charge the purchasing customer and to remit to a selling vendor for a purchase transaction;
- b) establishing a remitting agreement with the selling vendor to permit the company
  offering financial services to charge a purchasing customer and to remit to the selling vendor for
  a purchase transaction, wherein the remitting agreement does not require the company offering
  financial services to charge the purchasing customer;
- c) providing a semmunications link over the Internet between the purchasing oustomer and the selling vendor to permit the purchasing oustomer to request information from the selling vendor with respect to the product or service; providing a communications link through equipment of the third party between the purchasing customer and the selling vendor to permit the purchasing customer to communicate over the Internet with the selling vendor concerning the purchase transaction;
- d) receiving authorization over the Internet from the purchasing customer to charge the first amount to the purchasing customer without previously receiving a request from the selling vendor to charge the first amount to the purchasing customer, wherein receiving authorization is performed after the purchasing customer and the selling vendor have agreed to enter into the purchase transaction;
- c) charging the first amount to the purchasing customer in accordance with the billing agreement by charging a bank account, a credit card account, or an account with the company offering financial services; and
- f) remitting the second amount to the selling vendor in accordance with the remitting agreement without previously transmitting a credit card account number of the purchasing customer over the Internet to the selling vendor and without previously transmitting a bank account number of the purchasing customer over the Internet to the selling vendor.

223. (canceled)

224. (currently amended) An Internet billing method for a plurality of customers and a plurality of vendors of products or services for transactions over the Internet between a purchasing customer of the plurality of customers and a selling vendor of the plurality of vendors, wherein, for each purchase transaction of a product or service between the purchasing customer and the selling vendor, a first amount is charged to the purchasing customer and a second amount is remitted to the selling vendor, the method comprising the steps by a third party company offering financial services of:

- a) establishing a billing agreement with the purchasing customer to permit the company offering financial services to charge the purchasing customer and to remit to a selling vendor for a purchase transaction;
- b) establishing a remitting agreement with the selling vendor to permit the company offering financial services to charge a purchasing customer and to remit to the selling vendor for a purchase transaction;
- c) providing a communications link over the Internet between the purchasing outcomer and the selling vendor to permit the purchasing outcomer to request information from the selling vendor with respect to the product or service; providing a communications link through equipment of the third party between the purchasing customer and the selling vendor to permit the purchasing customer to communicate over the Internet with the selling vendor concerning the purchase transaction;
- d) receiving authorization over the Internet from the purchasing customer to charge the first amount to the purchasing customer without previously receiving a request from the selling vendor to charge the first amount to the purchasing customer, wherein receiving authorization is performed after the purchasing customer and the selling vendor have agreed to inter into the purchase transaction,

- e) charging the first amount to the purchasing customer in accordance with the billing agreement by charging a bank account, a credit card account, or an account with the company offering financial services; and
- f) remitting the second amount to the selling vendor in accordance with the remitting agreement without previously transmitting a credit card account number of the purchasing customer over the Internet to the selling vendor and without previously transmitting a bank account number of the purchasing customer over the Internet to the selling vendor.

whereis after establishing the billing agreement the company offering financial services does not approve an agreement between the purchasing customer and the selling vendor to enter into the purchase transaction.

#### 225. (canceled)

226. (currently amended) An Internet billing method for a plurality of customers and a plurality of vendors of products or services for transactions over the Internet between a purchasing customer of the plurality of customers and a selling vendor of the plurality of vendors, wherein, for each purchase transaction of a product or service between the purchasing customer and the selling vendor, a first amount is charged to the purchasing customer and a second amount is remitted to the selling vendor, the method comprising the steps by a third party company offering financial services of:

- a) establishing a billing agreement with the purchasing customer to permit the company
  offering financial services to charge the purchasing customer and to remit to a selling vendor for
  a purchase transaction;
- b) establishing a remitting agreement with the selling vendor to permit the company offering financial services to charge a purchasing customer and to remit to the selling vendor for a purchase transaction, wherein the remitting agreement does not require the company offering financial services to charge the purchasing customer;

- c) providing a communications link over the Internet between the purchasing outcomer and the selling wonder to permit the purchasing outcomer to request information from the celling wonder with respect to the product or service; providing a communications link through equipment of the third party between the purchasing customer and the selling wender to permit the purchasing customer to communicate over the Internet with the selling wender concerning the purchase transaction;
- d) receiving authorization over the Internet from the purchasing customer to charge the first amount to the purchasing customer without previously receiving a request from the selling vendor to charge the first amount to the purchasing customer;
- e) charging the first amount to the purchasing customer in accordance with the billing agreement by charging a bank account, a credit card account, or an account with the company offering financial services; and
- f) remitting the second amount to the selling vendor in accordance with the remitting agreement without previously transmitting a credit card account number of the purchasing customer over the Internet to the selling vendor and without previously transmitting a bank account number of the purchasing customer over the Internet to the selling vendor,

whereis after stablishing the billing agreement the company offering financial services does not approve an agreement between the purchasing customer and the selling vendor to enter into the purchase transaction.

227. (canceled)

228. (currently amended) An Internet billing method for a plurality of customers and a plurality of vendors of products or services for transactions over the Internet between a purchasing customer of the plurality of customers and a selling vendor of the plurality of vendors, wherein, for each purchase transaction of a product or service between the purchasing customer and the selling vendor, a first amount is charged to the purchasing customer and a

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second amount is remitted to the selling vendor, the method comprising the steps by a third party company offering financial services of:

- a) establishing a billing agreement with the purchasing customer to permit the company offering financial services to charge the purchasing customer and to remit to a selling vendor for a purchase transaction;
- b) establishing a remitting agreement with the selling vendor to permit the company
  offering financial services to charge a purchasing customer and to remit to the selling vendor for
  a purchase transaction. Wherein the remitting agreement does not require the company offering
  financial services to charge the purchasing customer,
- c) providing a communications link over the Internet between the purchasing outcomer and the selling vendor to permit the purchasing outcomer to request information from the selling vendor with respect to the product or service; providing a communications link through equipment of the third party between the purchasing customer and the selling vendor to permit the purchasing customer to communicate over the Internet with the selling vendor concerning the purchase transaction:
- d) receiving authorization over the Internet from the purchasing customer to charge the first amount to the purchasing customer without previously receiving a request from the selling vendor to charge the first amount to the purchasing customer, wherein receiving authorization is performed after the purchasing customer and the selling vendo have agreed to inter into the purchase transaction;
- e) charging the first amount to the purchasing customer in accordance with the billing agreement by charging a bank account, a credit card account, or an account with the company offering financial services; and
- f) remitting the second amount to the selling vendor in accordance with the remitting agreement without previously transmitting a credit card account number of the purchasing customer over the Internet to the selling vendor and without previously transmitting a bank account number of the purchasing customer over the Internet to the selling vendor,

wherein after stablishing the billing agreement the company offering financial services does not approve an agreement between the purchasing customer and the selling vendor to enter into the purchase transaction.

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09/975.839 Examiner Daniel S. Fetten Applicant(s) Int und y Residentials... EGENDORF, ANDREW Art Unit

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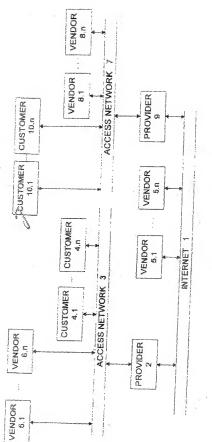
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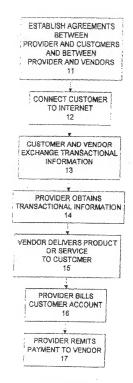


FIG. 2

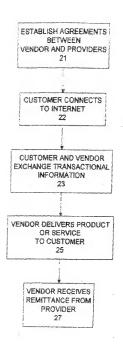


FIG. 3

# un United States Patent Egendorf

(10) Patent No.: US 6,976,008 B2 (45) Date of Patent: \*Dec. 13, 2005

(54)	INTERN	ET BILLING METHOD	5,394,334 A * 2/1995 Clearwater
(75)	inventor:	Andrew Egenderf, Lincoln, MA (US)	5,737,414 A 91998 Regarded 3480
(73)	Assignee:	Neteraff, Corporation, Lincoln, MA (US)	5,845,265 A 127,998 Woolston 705/37 OTHER PUBLICATIONS
(*)	Notice:	Subject to any disclaimer, the term of this patent is extended or adjusted under 35 U.S.C. 154(b) by 290 days.	Camegie Melios University, "Internet billing Server Proto- type Scope Document INI Technical Report 1993-1" (Oct. 14, 1993)."
		This patent is subject to a terminal dis- claimer.	* clied by examiner  Primary Examiner—V. Millin
21)	Appl. No.:	09/975,830	Assistant Examiner—Daniel S. Pellen (74) Assorner, Assent on Firm

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(22) Filed: Oct. 11, 2001

(65) Prior Publication Data

US 2002/0032654 A1 Mar. 14, 2002

#### Related U.S. Application Date

(53) Continuation of application No. 09/568-9/25, filed on May 11, 2000, which is a continuation of application No. 09/257, 230, filed on Apr. 8, 1998, now Pat. No. 5, 188, 394, which is

	1995, new Pat. No. 5,794,221.	
51) 52)	Int. Cl. Geoff 17/60 U.S. Cl. 785/46; 705/41; 705/42	

(56) References Chad

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... 705/40, 41, 42

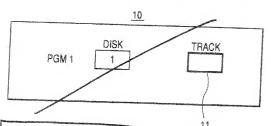
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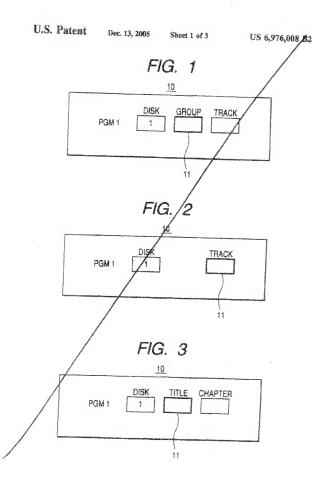
ABSTRACT

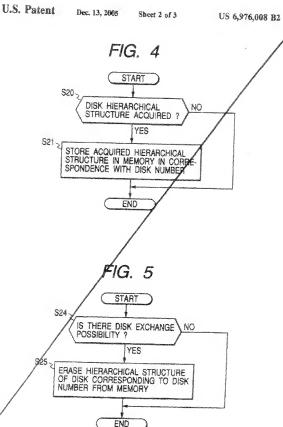
An Internet billing method comprises establishing an agreement between an internet access provider and a customer, and an agreement between the internet access provider and a vention, wherein the internet success provider agrees with the customer and the vendor to bill the customer and result in the vendor for products and services purchased over the internet by the customer from the vendor. The provider creates access to the interpet for the customer. When the customer orders a product or service over the internet from a vendor, transactional information transmitted between the customer and the vendor is also transmitted to the provider. The provider then bills the transaction amount to the customer and remits a portion of the transaction amount to the vendor, keeping the differential as a few for providing the service. As a result of this method, there is no need for any customer account numbers or vendor account numbers to be transmitted over the Internet, thereby maintaining the security of that information.

#### 94 Claims, 3 Brawing Sheets



ALL DRAWINGS ARE INCORRECT





# INTERNET BILLING METHOD

This application is a continuation application of application Sat. No. 69/56,925 filed May 11, 2000 and convpending, which is a continuation of application Ser. No. 1 99/057,230 filed Agr. 8, 1996 now U.S. Pal. No. 6,188,994, which is a continuation of application Ser. No. 08/499,535 filed Jul. 7, 1997 core U.S. Pat. No. 5,794,227.

# BACKGROUND OF THE INVENTION

The present invention relates to a method of billing for commercial transactions over the internet.

The Internet is a vast workwide interconnection of computers and compared to the Internet does not consist of any specific hardware or group of canneced computers, as cataly specific hardware or group of canneced computers, as rather it consistent or group of canneced computers, as interconnected at any same time. The Internet has certain protocols or rules require time. The Internet has certain protocols or rules require time. The specific and anyone with the proper hardware and software can be part of this interconnected.

All present, the technical and financial requirements for connecting directly to the laterned are beyond the resources of most individuals and to were businesses known as Internet account providers have been provided to the providers invest in the equipment accept provider to the 10 directle from the providers and the 10 directle for subscribers who pay to a fee for the access. Froviden include companies whose one is fee for the access. Froviden include companies whose most include conference on the internet, as well as on-lines in the conference on the internet is well as on-lines and access the conference on the internet whose the conference of the provide internet by means of a provide internet by means of a provide replaced of the provided provided internet by means of a provide typically connect to the internet by means of a provide replaced of the provided provider access. As the provider is excessed to the provider accesses the the provider accesses the connects to the provider accesses the connects of the provider accesses the connect

the party, through the provider's equipment, to the Internet. 13
Although the origin of the Internet was for military use,
today the primary uses of the Internet are evidina. There is
great activity at present attempting to utilize the Internet as
a channel of commerce.

Many versions advertise their products and services over 40 the Internet and solicit orders from internet users for those warra. While the preferred made of payment is by credit card, there is great rejuctance to transmit credit card account information over the internet because of lack of security. Moreover, in situations wherein the transaction amount is 45 small-from pennies to a few dollars-it is not companically feasible to use a credit card transaction. There is a need to be able to ensure that commercial transactions over the loternet are at least as seeme as conventional transactions over the telephone, through the mails, and with on-line 5 services where credit cards and/or billing accounts are used for purchases. Similarly, there is a need to be able to handle on the internet a large number of small-sized transactions. similar to what is done by telephone companies for conventional telephone services

The lack of security and the lack of a means to bill for small transactions are the biggest obstacles to commercial use of the internet.

#### SUMMARY OF THE INVENTION

The main object of the present invention is to create a new business opportunity for telephone companies, cathle television companies, cathle television companies, cathling interest access providers, and companies offering financial services by creating a way for them to offer to third subscribers a method of security 45 buying and selling goods and services of any value over the filterent.

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Another object of the present invention is an internst billing method which is cost effective for transactions having transaction amounts ranging from pennies to a few dollars.

Still another object of the present invention is to provide a secure metion of billing commercial transactions over the internet.

A further object of the present invention is an Internet billing method which is simple to use from both the customer's point of view and that of ventions on the internet.

Yet another object of the present invention is a sent the content of the present invention is a sent that the present invention is a sent that the present users customarily behave and omitted commercial transmittions.

These and other objects and selventages of the present invention are achieved by an internet billing method in accordance with the present invention. A provider estabhabes an agreement with a customer, and a second agreement with a vendor, wherein the provider agrees with the customer and the vendor to bill for products and services purchased over the Internet by the customer from the vendor. Associated with the customer agreement are one or more billing accounts to which purchases may be charged. Associated with the vendor sgreement are one or more methods of remitting funds to the vendor. The provider creates access to the laternes for the customer through the provider's equipment. When the custome was a product or service over the interact from the vender, the provider obtains transactional information transactional between the customer and the vendor including a transaction amount relating to the ordered product or service and the provider then bills the transaction amount to a customer billing auxumit and remits a portion of the transaction amount to the vendor.

Which accounts are used may be specified in the agroment of the property of the property of the property of the between the provide and the vender, if may be specified in the transactional information of the property of the property referencing the type of account (e.g., "VISA", "phone bill"), or the previous of this account on a prodetermined his (e.g., "the 3rd account"), and does not require that my actual account numbers be transactived.

By the use of this method, there is no need for the customer in transmit over the Internet say information containing any of the customer's billing account numbers thereby maintaining the security of that information. The present invention, in a preferred embodiment, is

providing no use with the solid by offer or constoners for the solid by the first of offer or constoners for transactions the purchase of goods too 50 services of any value over the intent, without the need for the customer to crassmit any order, without the need continue to crassmit any order of other account numbers over the internet, without the need for closure or to sextomer to services, and without the need for chance the manner in which most 15 customers or the continuers of the need to chance the manner in which most 15 customers or the need to chance the manner in which most 15 customers or the need to chance the manner in which most 15 customers or the need to chance the manner in which most 15 customers or the need to chance the manner in which most 15 customers or the need to chance the manner in which most 15 customers or the need to chance th

In snoordance with the present prevention, a customer desiring to purchase goods and service on work to former the service desiring to purchase goods and service on the former the present good access to the future through a configuration of the configuration of

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billing, or charge to a credit card, or charge to an account of the user which could be an account specific to the internet or could be a more general account, such as an or-line computer services account, a suble relevision account, a subspices account, or a bank account.

Once the prearrangements have been completed, using the provider's service to connect in the Internet sypically involves calling a temphone number of the provider and being automatically connected through the provider's equipment to the fluencet.

Once connected to the internet; the customer can browse to around mild as them is bounded that the existence wishes to purchase, at which time the customer wishes to purchase, at which time the customer wishes in the customer wishes to purchase, at which time the customer could follow the instructions created by the vendor; and the customer could be controlled to the customer could be controlled to the customer could be calculated. Depending on the type of goods, delivery can be enable, for example, by mail (e.g., in the case of a purchase of a bound, by centre service (e.g., in the case of a purchase of a bound, by centre service (e.g., in the case of a purchase of a bound, by centre service (e.g., in the case of a purchase of a bound, by centre service (e.g., in the case of a purchase of a bound, by centre service (e.g., in the case of a purchase of a bound, by centre service (e.g., in the case of a purchase of a bound, by centre service (e.g., in the case of a purchase of a bound, by centre service (e.g., in the case of a purchase of a bound, by centre service (e.g., in the case of a purchase of a bound of the customer pays the vendor.

in accordance with the present invention, the provider has made arrangements with vendors who wish to sell graves and be customers of the provider.

The provide agrees to the alling associated with such sales for the vendors. and the vendor have agreed on the manner in which the provider will remit funds to the vendor. Examples of payment include payment by check, credit to the vendor's credit card mentals account of the vander's stable talevants account of the vandor's, such as the vander's stable talevants account of the substitutions account, or vandor's stable talevants of the school of the substitutions account of the vendor to be credited need not be with the provider. The arrangements that are made will depend on the vandor's desires and the capabilities of the provider. For example, if the vendor anticipates many small transactions and the 40 provider is a telephone company, they can agree that the provider will credit the vention's existing telephone account for amounts under some number amount and credit the vendor's credit card merchant account for larger amounts. If the vendor anticipates large transactions, then they may as agree that the provider will gay by check or direct credit to the vendor's bank account.

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is a typical transaction in accordance with the present invention, from the customer's point of view all use of the leatment spears to be conventioned. Depending upon the 50 preserrangements made hetween the provider and the customer and between the proposer and sevendor, the customer can charge a purchase or example, it is contained, to

homes can between the purposer and the yearant, are the tomes can charge a purchase of example, as explained, to the cable televation account, to response thecome or o a lark account for the account of the consoure to be billion seen and to be with the provider. For example, the enstoner may be using one stephone enough as a scene provider and account in the billion is that with the account of the provider as a telephone service provider and the account to be billion is that with the account in the billion of the provider, but on the billion of the indication to the provider, but on the the consoner on the weaker has to transmit any the consoner on the weaker has to transmit any the control of the cable of the cable of the service, who solvaints the charge to the cable of the service.

vendor, who submits he charge to the cream of its big provider, to the yearder, who submits he charge to the cream of course to the cable television company, the elephone company, or to as sanother account of the customer, or who debits the bank account of the customer, and the provider already has been given, during the course of making prearrangements with the customer and the vendor, the appropriate account numbers of both the customer and the reador. The provider sends this information to the appropriate party, and may do so by the same seem near customently used for similar transections soff make joven the Internal

From the Peritor's point of view, the transaction is at soone as a transaction made over the telephone wide a credit act. If the veador wides, the vendor may verify with the provider that the address supplied by the customer for simple of the goods has been unberinded by the customer to the simple of the products the provider that the address supplied by the customer in the same unsumer in which such verification would be a first that the sum of the telephone with a small card. In addition, because such a verification one a result card, if a subdiving because such a verification of a require the transmission of its yearounst numbers of the outcomer, the verification can be done over the latternet as part of the transaction transmission that if it the provider and

the vendor have prearranged to do so.

From the provider's point of view, the provider is made aware that the customer has subcroad the charge by monitoring the data being sent over the instruct through the provider's engineent between the customer and the vendor. This can be ident, for example, by specifying specific roads which, when some between the customer and the vendor, indicates to the provider that a transaction has bose completed. When the customer has made a protekase, the provider thanges the transaction amount to the signed account of the customer and events of periods of the customer of the customer for the provider than the customer has made a protekase, the provider than the customer has made a protekase, the provider has the customer has the provider that amount to the vendor, keeping the differential as the provider's charge for making the service weighthe.

These and other features and advantages of the present investion will become apparent from the following detailed theoretistion of the invention with reference to the attached drawings, wherein:

# BRIEF DESCRIPTION OF THE DRAWINGS

FIG. 1 is a block diagram of a system for carrying out the billing method according to the present invention;

FIG. 2 is a flow chart of one ambodiment of the method according to the present invention; and

FIG. 3 is a flow chart of another embediment of the method according to the present invention.

# DETAILED DESCRIPTION OF THE

Referring to FIG. 1, a system for carrying out the method of the present invention is shown. In that system, the Internal is shown schematically as network 1 to which providers 2, 9, vendors 5.1-5.4, 6.1-6.4, and 8.1-8.4, and customers 4.1-4.2 and 19.1-10.4 (where n is an integer to indicate a range from one to many) are pommercial in different ways.

Provide 2 immediated to access network 3 and the interest 1 am provides prime to the interest 1 am provides prime to the interest 1 am provides prime to the or access to the control of a cases not work 5 and 5

in accordance with the method shown in the flow chart of the seasoning, in step 11 provider I establishes agreement with worders 3-5 n who are commoned directly the matter, with vendors 6.1-6.n who access its interest, with vendors 6.1-6.n who access its interest.

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vis sooms network 3 and provider 2, and with vendors \$.1-8.6 who are connected to the internet 1 via access network 7 and provider 9, to bill customers 4.1-4 s for govers and services purchased by them over the internet from vendom 5.1-5.n, 6.1-6.n and 8.1-8.n. Provider 2 also agrees to remit a partitus of the collected money back to the vendore. Provider 2 also establishes an agreement with each of customers 4.1-4.s. These agreements provide that the provider will bill the customer for goods and services purchased by them over the Internet. The billing will be shone to billing accounts established in connection with the agreements. The billing excounts can be, for example, credit card accounts, interphase accounts, cable intervision accounts. on-line services accounts, or bank accounts. The accounts need not be with the provider if the provider has a billing agreement in place with the party with whom the account was established.

As part of the services of the provider to customers 4.1-4.n, the customer is connected to the Internet 1 in step 1.2 at a desired time, typically by making contact via modern. Once connected to the Internet, the customer can interface 20 with any one of vandors 5.1-5a, 6.1-6a and 8.1-8a in order to find out about products at services offered by those vendos.

When one of customers is no makes the decision to order a product or service form see of weedens \$1.5 n<sub>o</sub> 6.1-6.n and \$1.-6.n in step is serviceing of reassectional 17. information occurs between the customer and the vendor. This eachange may include identifying information relating to the customer, such as the customer's internet address, information relating to the products or services to be ourchased, including the transaction amount, the manner and time of delivery, and a reference number to identify the order. The vendor or the customer also can produce a verification code signifying that a transaction has been completed which can be received by provider 2.

In step 14, the transactional information is obtained by provider 2. The communication can be a separate transmission by the vendor of the customy of the vendor through 2 can extract the information from the vendor through equipment of provider 2. Provider 3 near most easy vendor to the other most control and the vendor to information to one or both of the customer and vendor to indicate that the transaction has been approved, if approval of a third party, such as credit card company, is required. Most importantly, the entire transaction takes place without the need of communicating the customer's credit card or other account number over the internet 1. The product or service is delivered to the customer in step

13 and the appropriate account is billed by provider 2 in step 14. Provider then remits the agreed payment so the appropriate in the appropriate in the spreador in step 17, keeping the differential as a service charge for the services rendered by provider 2. Steps 15, 18 and 17 may be performed in any

> present invention can be carried out in many ways. For example, referring to PIG. 3, vendor 5.1 in step 21 cao establish remitting agreements with provider I and provider 9 to remit to vendor 5.1 a portion of a transaction amount

Similarly, cach of veucloss 6.1-6.4 can catablish a remitting agreement with provider 9 for transactions carried out interpet between each of vendors 6.1-6.8 and

Customer D.1-16.4

A customer connects to the Internets kep 22. The 2 2 customer exchanges transactional information with the ven-

dur in step 23 and the vendor delivers a product of to the customer in step 25, either before or after the receives remittances from the provider in step 27.

In accordance with another feature of the present invention, prior to the billing of the transaction amount to the account of the customer, and after obtaining the actional information, the provider can obtain approva form a third party to bill the transaction amount to the billion account. This is particularly true in the case where the billing account is a credit card account or a bank account, in that instance, approval must be obtained from a third party, i.e., the bank issuing the credit card or with whom the bank scrount was established. Where the provider, approval wested be obtained from the provider itself. in a preferred authoritiment of the present invention. the approval can be obtained over the internet and most preferably during the communication between the customer and the rendor.

in accordance with a further feature of the present invention, the customer can specify a particular billing account, for example, a credit card account, a bank account, a tejephone number account, a cable television account or an on-line services account at the time that the billing agreecontinue out the continue of the provider. The spirituation can provide that one account will be found for certain to transactions, and a different account for count transactions. for example, a telephone account for transactions less than \$5.00, and a hank account for transactions of at least \$5.00.

Thereafter, whenever the transaction amount is to be billed. is will be billed to that specified billing account. Alternatively, the customer can specify a plurality of billing accounts, for example, an AMEX account, a VISA account, a Mastercard account at the time that the billing agreement is established. When the transactional information is communicated, it will include so identification of which of those plurality of billing accounts the customer wants billed. without, however, specifying the account number of the account Thus the customer can by the "brand" name AMEX VISA, Mastercard customer can identify it so the first account, second account or third account on a list previously established with the

provider As coted above whe hilling account is not necessarily with the provider, the is, t can be with a third party such as a bank issuing a credit card, or a bank at which the customer has a bank account. Alternatively, the provider can be a first telephone company, but the billing account can be with a succeed telephone company and charged by the first telephone company to the telephone number account of the costomer with the second telephone company, as is customarily done in connection with conventional injecommunications services.

In accordance with the invention, the remitting can be by As can be seen from FIG. 1, the method according to the 35 means of sending money or by crediting a vendor account such as a credit card merchant account, a bank account te lephone number account, a cable television account or a on-line services account.

is a preferred embodiment of the present invention, the 20. (41-4-mand)0.1-16.n fying a particular vendor account to which the portion of the provide that one account will be used for granato certain 6230 transactions, and a different account for other behaviors, for example, a inlephone account for transactions less than \$5.00, and a bank account for transactions of at least \$5.00. is an alternative embediment of the present invention, the

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step of extactishing the remitting agreement comprises the vendor specifying a phirality of vendor accounts to which a portion of the transaction seconds can be remitted. Thus when the transactional information is communicated, the vendor can identify which one of the planship of vendor accounts the amount is to be remitted to without, however,

screens the encount to so the revenue of the provider for a second with the provider or an account with the provider or an account with the third barty such as a credit card merchant account, or man account, which shark, or a cable 10 islevision account with a cable television company

It is understood that the embediments described hereinabove are merely illustrative and are not intended to limit the scope of the invention. It is realized that various changes, alterations, rearrangements and modifications can be made by those skilled in the art without substantially departing from the spirit and scope of the present invention.

What is claimed in:

2. An internet billing method for a plurality of customers and a piterality of ventions of practices or services for transactions over the internet between a purchasing cus. 20 tomer of the plurality of customers and a selling versior of the plurality of vendors, wherein, for each purchase transscales of a product or service between the purchasing customer and the selling vendor, a first amount is charged to the purchasing customer and a second amount is remitted to 25 the selling vendor, the method comprising the steps by a third party to the purchase transaction of:

a) establishing a billing agreement with the purchasing customer to permit the third party to charge the purchasing customer and to remai to a selling vendor for a so

purchase transaction;

b) catablishing a remitting agreement with the selling version to permit the third party to charge a purchasing customer and in remail to the selling vendor for a purchase transaction;

c) providing a communications link through equipment of the third party between the purchasing customer and the selling vendor to permit the purchasing customer to communicate over the internet with the selling vendor concerning the purchase transaction;

- d) receiving authorization over the laternet from the purchasing customer to charge the first amount to the purchasing customer without previously receiving a request from the selling vendor to charge the first at amount to the purchasing customer:
- c) charging the first amount to the purchasing customer in secordance with the billing agreement, and

f) remitting the second amount to the selling vendor in secondance with the mediting agreement,

wherein after catabhishing the billing agreement the third party does not transfer ownership of the product or service from the seiling vendor to the purchasing customer.

2. The method according to claim 1, wherein no credit so card account number of the purchasing customer and no bank account number of the purchasing customer is transmilled over the internet by the third party to the selling vendor prior to the step of remitting

3. The method according to claim 1 or 2, wherein the third so party is a cable partition company, a company offering

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financial services on internet spess provider, or a telephone 4. The method according to claim J. further comprising the step of obtaining approval for charging the first amount at

from a party other than the purchasing customer and the selling vendor prior to the step of charging.

5. The method according to claim 4, wherein the party other than the purchasing customer and the selling vendor is s bank, a company offering financial services, a credit card company, an internet access provider, or the third party.

6. The method according to claim 3, wherein the step of charging comprises scuding a bill or charging an account with a bank, a cable television company offering financial services, a credit car company at historic access provider, a telephone company, it has time party

7. The method according to claim 3, wherein the step of muniting comprises sending a check or crediting an account with a bank, a cable television company, a company offering Snancial services, a credit card company, an internet access provider, a telephone company, or the third party

8. The method according to claim 3, wherein the second amount is less than the first amount

The method according to chain 3, wherein the step of menitting is performed before the step of charging.

16. An interact billing method for a plurality of customers and a pineality of vendors of products or services for transactions over the internet between a purchasing customer of the plurelity of customers and a selling vendor of the plurelity of vendors, wherein, for each purchase transaction of a product or service between the purchasing customer and the selling vendor, a first amount is charged to the purchasing customer and a second amount is semitted to the salling wendor, the method comprising the steps by a third party company offering financial services of

s) establishing a billing agreement with the purchasing customer to permit the company offering financial services to charge the purchasing customer and to remit

to a selling vendor for a purchase transaction; b) establishing a remitting agreement with the selling vendor to permit the company offering financial ser vices in charge a purchasing costomer and to remai to

the selling vandor for a purchase transaction; c) providing a communications link through equipment of the third party between the purchasing customer and the selling vendor to permit the purchasing customer to communicate over the internet with the selling vendor concerning the purchase transaction;

d) receiving authorization over the internst from the purchasing customer to charge the first amount to the purchasing customer without previously receiving a request from the sailing vandor to charge the first amount to the purchasing customer;

e) charging the first amount to the purchasing customer in accordance with the billing agreement by charging a bank account, a credit card account, or an account with the company offering financial services; and

f) remitting the second amount to the selling vendor in accordance with the remining agreement without previsually transmitting a credit card account number of the purchasing customer over the internet to the selling vendor and without previously transmitting a hank account number of the purchasing austomer over the leternet to the selling vendor,

wherein after establishing the billing agreement the company offering financial services does not transfer ownerablip of the product or service from the selling vendor in the purchasing customer.

11. The method according to any on 10, whereis the step of receiving preformed her then 3 purchasing customer and the selling when the agreed to enter into the purchase transaction

12. The method scoonling to claim 3, wherein the step of receiving is performed after the nurchasing customer and the selling vendor have agreed to enter into the purchase trans-

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13. The method according to claim 4, wherein the step of receiving is performed the perchasing customer and the selling vendor have aread enter into the purchase transaction

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14. The method according to claim 5, wherein the step of 5 receiving is performed after the purchasing customer and the selling vendor have agreed to oner tase the purchase transaction

15. The method according to claim 5, wherein the sum of receiving is performed after the purchasing customer and the 10 selling vendor have agreed to enter into the purchase trans-

16. The method according to claim 7, wherein the step of receiving is performed after the purchasing customer and the selling vendor have agreed to enter into the purchase trans- 15 and the selling vendor to enter into the purchase transaction.

17. The method according to claim 8, wherein the step of receiving is performed after the purchasing customer and the selling vendor have agreed to enser into the purchase trans-

18. The method according to claim 9, wherein the step of contring is performed after the purchasing customer and the selling vendor have agreed to enter into the purchase transaction.

19. The method according to any one of claims 1, 2, and 15 10, wherein the step of establishing a remitting agreement does not require the third party to charge the purchasing continuer

20. The method according to claim 3, wherein the step of establishing a remitting agreement rices not require the third so party to charge the purchasing customer.

21. The method according to claim 4, wherein the step of adjusting a remitting agreement does not require the third

o charge the purchasing customer. The method according to claim 3, wherein the step of 15 establishing a remitting agreement does not require the third party to charge the purchasing customer.

23. The method according to claim 6, wherein the step of establishing a remining agreement does not require the third party to charge the purchasing customer.

24. The method according to claim 7, wherein the step of establishing a remitting agreement does not require the third party to charge the purchasing customer.

25. The method according to claim 8, wherein the step of establishing a remitting agreement does not require the third as party to charge the perchasing customer.

26. The method according to claim 9, wherein the step of establishing a remitting agreement does not require the shird party to charge the punchasing customer.

establishing a remitting agreement does not require the third party to charge the purchasing customer.

28. The method according to claim 12, wherein the step of establishing a remitting agreement does not require the third party to charge the purchasing customer.

29. The method succeding to claim 13, wherein the step

of establishing a ramitting agreement does not require the third party to charge the purchasing customer. 30. The suethod according to claim 14, wherein the step

of establishing a remitting agreement does not require the so third party to charge the purchasing customer. 31. The method someting to claim 15, wherein the step

of establishing a remitting agreement does not require the third party to charge the purchasing customer.

32. The method according to claim 16, wherein the step 45 of establishing a remitting agreement does not require the third party to charge the purchasing customer.

33. The method according to claim 17, wherein the step of astablishing a remitting agreement does not require the third party to charge the purchasing customer. 34. The method according to claim 18, wherein the step

of establishing a remitting agreement does not require the

third party to charge the purchasing customer.

35. The method according to any one of claims 1, 2, and 10, wherein after the step of establishing a billing agreement the third party does not approve an agreement between the purchasing customer and the selling vendor to onter into the purchase transaction.

36. The method according to claim 3, wherein after the step of establishing a billing agreement the third party does out approve an agreement between the purchasing customer

37. The method according to claim 4, wherein after the step of establishing a billing agreement the third party does not approve an agreement between the purchasing customer and the selling vendor to enter into the purchase transaction.

38. The method according to claim 5, wherein after the step of establishing a bifling agreement the third party does not approve an agreement between the purchasing customer and the selling vendor to enter into the purchase transaction.

39. The method according to claim 6, wherein after the step of establishing a billing agreement the third party does not approve an agreement between the purchasing customer and the selling vendor to enter into the purchase transaction.

40. The method according to claim 7, wherein after the step of establishing a billing agreement the third party does not approve an agreement between the purchasing customer and the selling vendor to enter into the purchase transaction.

41. The method according to claim 8, wherein after the step of establishing a billing agreement the third party does not approve an agreement between the parchasing customer and the selling vendor to enter into the purchase transaction. 42. The method according to claim 9, wherein after the

step of establishing a billing agreement the third party does not approve an agreement between the purchasing customer and the selling vendor to onter into the purchase transaction. 43. The method according to claim 11, wherein after the step of establishing a billing agreement the third party does not approve an agreement between the purchasing customer

and the selling vendor to enter into the purchase transaction. 44. The method according to claim 12, wherein after the step of establishing a billing agreement the third party does not approve an agreement between the purchasing customer

and the selling vendor to enter into the purchase transaction. 45. The method according to claim 13, wherein after the stop of establishing a billing agreement the third party does 27. The method according to cleam 11, wherein the step of an acceptance an agreement between the parchasing customer

and the selling vendor to onter into the purchase transaction. 46. The method according to claim 14, wherein after the stop of establishing a billing agreement the third party does not approve an agreement between the purchasing customer and the selling vendor to enter into the purchase transaction.

47. The method according to claim 15, wherein after the step of establishing a billing agreement the third party does not approve an agreement between the purchasing customer and the selling vendor to enter into the purchase transaction. 48. The method according to claim 16, wherein after the step of establishing a billing agreement the third party does not approve an agreement between the purchasing customer and the selling vendor to enter into the purchase transaction.

49. The method according to claim 17, wherein after the step of establishing a billing agreement the third party does not approve an agreement between the purchasing curanmer and the selling vendor to enter into the purchase transaction.

90. The method according to claim 18, wherein after the step of establishing a billing agreement the third party does not approve an agreement between the purchasing customer and the selling vendor to enter into the purchase transaction. 51. The motived according to claim 19, wherein after the

step of establishing a billing agreement the third party does not approve an agreement between the purchasing customer and the selling vention to enter into the purchase transaction.

32. The method according to claim 28, wherein after the step of establishing a billing agreement the third party does not approve an agreement between the purchasing customer and the selling vendor to cuter into the purchase transaction.

53. The method according to claim 31, wherein after the step of establishing a billing agreement the third party does not approve an agreement between the purchasing customer and the selling vendor to enter into the purchase transaction.

54. The metiand according to claim 22, wherein after the

step of antablishing a billing agreement the third party does not approve an agreement between the purchasing customer and the selling ventor to outer into the purchase transaction.

35. The metical according to claim 23, wherein after the as step of establishing a billing agreement the third party does not approve an agreement between the purchasing customer and the selling vendor to enter into the purchase transaction.

56. The method according to claim 34, wherein after the step of establishing a billing agreement the third party does 25 not approve an agreement between the purchasing customer and the selling vendor to enter into the purchase transaction.

57. The method scoording to claim 25, wherein after the step of establishing a billing agreement the third party does not approve an agreement between the purchasing customer 30 and the selling vendor to enter into the purchase transaction.

58. The method according to claim 26, wherein after the

step of establishing a billing agreement the third party does not approve an agreement between the purchasing contomer and the selling vendor to enter into the purchase transaction. 35 59. The method seconding to claim 27, wherein after the

step of establishing a billing agreement the third party does not approve an agreement between the purchasing customer and the selling vendor to enter into the purchase transaction.

60. The method according to claim 28, wherein after the 40 step of establishing a billing agreement the third party does not approve an agreement between the purchasing customer and the selling vendor to enter into the purchase transaction.

61. The method according to claim 29, wherein after the step of establishing a billing agreement the third party does 45 not approve an agreement between the purchasing customer and the selling vendor to enter into the purchase transaction.

62. The method according to claim 30, wherein after the step of establishing a billing agreement the third party does not approve an agreement herween the purchasing customer to third party to the purchase manaction of and the selling vendor to outer into the purchase transaction.

63. The method according to claim 31, wherein after the step of establishing a billing agreement the third party does not approve an agreement between the purchasing customer and the selling vendor to outer into the purchase transaction. 55

64. The method according to claim 32, whereis after the step of establishing a billing agreement the third party does out approve an agreement between the purchasing customer and the selling vendor to enter into the purchase transaction.

65. The method according to claim 33, wherein after the 60 step of establishing a billing agreement the shird party does and approve an agreement between the purchasing customer and the selling version to enter into the purchase transaction.

56. The method according to claim 34, wherein after the step of establishing a billing agreement the third party does as not approve an agreement between the purchasing customer and the selling vendor to enter into the purchase transaction.

67. An Internet billing method for a phrality of customers end a pharakity of vondors of products or services for transactions over the internet between a purchasing customer of the piurality of customers and a selling ventor of the plurality of vendors, wherein, for each purchase transaction of a product or service between the purchasing customer and the selling vendor, a first amount is charged to the purchasing customer and a second amount is remitted to the selling weader, the method comprising the steps by a third party to the purchase manuscritor of

a) satablishing a billing agreement with the purchasing customer to permit the third party to charge the parchasing costomer and in remit to a selling vendor for a

purchase transactions

b) establishing a remitting agreement with the selling vendor to permit the third party to charge a parchasing customer and to remit to the sailing vendor for a purchase transaction:

 e) providing a communications link through equipment of the third party between the purchasing customer and the selling vendor to permit the purchasing customer to communicate over the lateration concerning the purchase transaction. the selling vendor

d) receiving authorization over us faternet from the purchasing customer to charge the first amount to the purchasing customer without previously receiving a request from the selling vender to charge the first amount to the purchasing customer, wherein receiving sutherization is performed after the purchasing our tomer and the selling vendor have agreed to enter into the purchase transaction;

 charging the first amount to the purchasing customer in accordance with the billing agreement; and

f) remitting the second amount to the willing vendor in excurdance with the remitting agreement.

68. The method according to claim 67, wherein no credit card account number of the purchasing customer and no bank account number of the purchasing customer is transminted over the laternes by the third party to the selling vendor prior to the step of remitting

69. As internet billing method for a plurality of customers and a plurality of vondors of products or services for transactions over the internet between a purchasing customer of the plurabity of customers and a selling vendor of the plansity of vendors, wherein, for each purchase transaction of a product or service between the purchasing customer and the selling vendor, a first amount is charged to the purchasing customer and a second amount is remitted to the selling weador, the method comprising the stops by a

a) establishing a billing agreement with the purchasing customer to permit the third party to charge the purchaning customer and to comit to a selling vendor for a purchase transaction:

 b) catablishing a remitting agreement with the selling vendor to permit the third party to charge a purchasing costomer and in remit to the selling vendor for a purchase transaction, wherein the remitting agreement does not require the third party to charge the purchasing

c) providing a communications link through equipment of the third party between the purchasing commer and the selling vendor to permit the purchasing customer to communicate over the internet with the selling vendor concerning the purchase transaction;

d) receiving authorization over the internet from the purchasing customer to charge the first amount to the

38

purchasing customer without previously receiving a request from the selling vendor to charge the first amount to the purchasing customer;

e) oberging the first amount to the purchasing customer in accordance with the billing agreement; and

f) remitting the second amount to the selling vendor in socordance with the remitting agreement.

78. The method according to claim 69, wherein no credit card account number of the purchasing customer and no beak account number of the chasing customer is transmilled over the interne by to hird party to the selling rendor prior to the step of selling.

71. As Internet billing method for a plurality of customers and a pharality of weathers of products or services for transactions over the internet between a purchasing cusiomes of the phrality of customers and a selling vendor of the plurality of vendors, wherein, for each purchase transaction of a product or service between the purchasing customer and the selling vendor, a first amount is charged to the purchasing customer and a second amount is remitted to the party the purchase transaction of a common to common the party the purchase transaction of a common to the purchasing a filling agreement with the purchasing

consources to permit the third party to charge the purchasing customer and to remit to a selling vendor for a purchase transaction;

b) establishing a remitting agreement with the selling vention to permit the third party to charge a purchasing

c) providing a communications link through equipment of the third party between the purchasing customer and the selling vendor to parmit the purchasing customer to communicate over the internet with the selling vendor 15 concerning the purchase transaction;

d) receiving authorization over the laternet from the purchasing customer to charge the first amount to the purchasing customer without previously receiving a request from the selling vendor to charge the first 40 amount to the pumbasing customer

e) charging the first amount to the purchasing customer in accordance with the billing agreement; and

f) remitting the second amount appearance; and \$\pm\frac{\pm}{\pm}\$ \$\pm wherein after establishing the billing agreement the third party does not approve an agreement between the purchasing customer and the selling vendor to enter

oto the purchase transaction. 72. The method according to claim 71, wherein no credit card scenning number of the purchasing customer and no bank account cumber of the purchasing customer is transmined over the internet by the third party to the selling

vendor prior to the step of remitting. 73. An leternet billing method for a plurality of customers

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and a physicity of ventions of products or services for transactions over the internet between a purchasing customer of the phurality of customers and a setting vendor of the plurality of vendors, wherein, for each purchase transactions of a presence of the presence of the purchasing contoner and the selling version's a smound is charged to 10 the purchasing customer? the selling vendor, the method comprising the steps by a third party to the purchase transaction of

s) establishing a billing agreement with the purchasing customer to permit she third party to charge the purchasing customer and to remit to a seiling vendor for a purchase transaction;

b) establishing a remitting agreement with the selling vendor to permit the third party to charge a purchasing customer and to semil to the selling vendor for a purchase transaction, wherein the remitting agreement does not require the third party to charge the purchasing CHEROSTER,

c) providing a communications link through equipment of the third party between the purchasing sustomer and the selling vendor to permit the purchasing costomer to communicate over the internet with the selling vendor

concerning the purchase transaction

d) receiving authorization over the internst from the purchasing customer to charge the first amount to the purchasing customer without previously moniving a request from the selling vendor to charge the first amount to the purchasing customer, wherein receiving suthorization is performed after the purchasing cusinmer and the selling vendor have agreed to enter into the purchase transaction:

 charging the first amount to the purchasing customer in secondance with the billing agreement; and

f) recruiting the second amount to the selling vendor in accordance with the meninting agreement.

74. The method according to claim 73, wherein no credit card account number of the purchasing customer and no bank account number of the purchasing customer is transcustomer and to remit in the selling wender for a so mitted over the insernet by the third party to the selling vendor prior to the step of remitting.

75. An internet billing method for a plurality of customers and a plurality of ventions of products or services for transactions over the internet between a purchasing customer of the pintality of customers and a selling vendor of the plurality of vendors, wherein, for each purchase transaction of a product or service between the purchasing customer and the selling vendor, a first amount is charged to the purchasing customer and a second amount is remitted to the selling render, the method comprising the steps by a third party to the purchase transaction of

a) establishing a billing agreement with the purchasing minioner to permit the third party to charge the purchasing customer and to remit to a selling vendor for a purchase transaction:

b) establishing a remitting agreement with the selling vendor to permit the third party to charge a purchasing customer and to remit to the selling vendor for a purchase transaction:

c) providing a communications link through equipment of the third party between the purchasing customer and the seiling vendor to permit the purchasing customer to communicate over the internet with the sailing vendor concerning the purchase transaction;

d) receiving sutherization over the internet from the purchasing customer to charge the first amount to the punchasing customer without previously receiving a request from the selling vendor to charge the first amount to the purchasing customer, wherein receiving authorization is performed after the purchasing customer and the selling vendor have agreed to enter into the purchase transaction;

e) charging the first amount to the purchasing customer in accordance with the billing agreement; and

f) remitting the second amount as vendor in secondance with the remining agreement.

76. The method seconding to claim 75, wherein no credit is card account cumber of the purchasing customer and no bank account number of the purchasing customer is transmitted over the internet by the third party to the selling

vendor prior to the step of remitting.

77. An internet billing method for a plurality of customers 10 and a physisty of vendors of products or services for cameactions over the internet between a purchasing customer of the plurality of customers and a selling vendor of the phrality of vessions, wherein, for each purchase transaction of a product or service between the purchasing is customer and the selling vendor, a first amount is charged to the purchasing customer and a second amount is remitted to the selling vendor, the method comprising the steps by a third party to the purchase transaction of

a) establishing a billing agreement with the purchasing to customer to permit the third party to charge the purchasing customer and to mail to a seiling vendor for a purchase transaction:

b) establishing a remitting agreement with the selling vendor to permit the third party to charge a purchasing customer and to remit to the selling vandor for a purchase transaction, wherein the remitting agreement does not require the third party to charge the purchasing

c) providing a communications link through equipment of the third party between the purchasing costomer and the selling vendor to permit the purchasing customer to communicate over the internet with the seiling vendor concerning the purchase transaction;

d) receiving suthorization over the internet from the purchasing sustames to charge the first amount to the purchasing contomer without previously receiving a request from the selling vendor to charge the first

amount to the purchasing customer; c) charging the first amount to the purchasing customer in scendance with the billing agreement, and

it remitting the second amount to the selling vendor in accordance with the remitting agreement,

wherein after establishing the billing agreement the third 45 party does not approve an agreement between the purchasing customer and the selling vendor to enter into the purchase transaction.

78. The method according to claim 77, wherein no credit card someon number of the purchasing customer and no 50 vank account number of the purchasing customer is transmisted over the interest by the third party to the selling

vendor prior to the step of remitting.

79. An Internet billing method for a plurality of customers and a pharality of ventures of products or services for sa transactions over the internet between a purchasing customer of the phirality of customers and a selling vendor of the phurality of vendors, wherein, for each purchase transaction of a product or service between the purchasing customer and the selling vendor, a first amount is changed in the purchasing customer and a second amount (remitted, to the selling vendor, the method comprising the stops of third party to the purchase transaction of:

s) establishing a billing agreement with the purchasing customer to permit the third party to charge the pur- as chasing customer and to minit to a selling vendor for a purchase transaction;

b) establishing a remitting agreement with the selling vendor to permit the third party to charge a purchasing customer and to remit to the selling vendor for a purchase transaction, wherein the remating agreement does not require the third party to charge the purchasing customer:

c) providing a communications link through equipment of the third party between the purchasing customer and the sailing vendor to permit the purchasing customer to communicate over the internet with the selling vendor

concerning the purchase transaction;

d) receiving authorization over the internet from the purchasing customer to charge the first amount to the purchasing customer without previously receiving a respuest from the selling vendor to charge the first amount to the purchasing customer, wherein receiving sutherization is performed after the purchasing customer and the selling vendo beve to enter into the purchase transaction;

s) charging the first amount to the purchasing customer in accordance with the billing agreement; and

f) remisting the second amount to the selling vendor in accordance with the muniting agreement,

wherein after establishing the billing agreement the third party does not approve an agreement between the purchasing customer and the selling vendor to cover into the purchase transaction.

86. The method according to claim 79, wherein no cradit card account number of the purchasing customer and no bank account number of the purchasing consumer is transmitted over the internet by the third party to the selling vendor prior to the step of remitting.

81. The method according to any one of claims 67, 68, 69, 35 70, 71, 72, 73, 74, 78, 76, 77, 78, 79, and 90, wherein the third party is a cable television company, a company offering financial services, so internet access provides, or a telephone company.

82. The method according to claim \$1, further comprising the step of obtaining approval for charging the first amount from a party other than the purchasing customer and the

selling vendor prior to the step of charging. The method according to claim \$2, wherein the party often has be purchasing customer and the solling vendor in 4/3 a hank, a company offening financial services, a credit card company, an internet access provider, or the third party.

84. The method according to claim \$1, wherein the step of charging comprises sending a bill or charging an account with a bank, a cable intervision company, a company offering Spancial services, a credit card company, an internet access provider, a telephone company, or the third party

AS. The method according to claim \$1, wherein the step of remitting comprises sending a check or crediting an account with a bank, a cable television company, a company offering financial services, a credit card company, an later net access provider, a telephone company, or the third party.

\$6. The metiand scoonding to claim \$1, wherein the second amount is less than the first amount.

87. The method according to claim 81, whemin the step of emisting is performed before the step of charging. 88. An Internet billing method for a plansiity of customers

and a planelity of vendors of products or services for transactions over the foremet between a purchasing cussomer of the plurality of customers and a selling versior of the phirality of vendors, wherein, for each purchase transaction of a product or service between the purchasing customer and the selling vendor, a first amount is charged to

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the purchasing customer and a second amount is remitted to the selling vendor, the method comprising the steps by a third party company offering financial services of:

a) establishing a billing agreement with the purchasing customer to permit the company offering financial ? services is charge the purchasing customer and to remit

to a selling render for a purchase transaction; b) establishing a remitting agreement with the selling vendor to permit the company offering financial services to charge a purchasing customer and to remit to 10 the selling vendor for a purchase transaction;

c) providing a communications link through equipment of the third party between the purchasing customer and the selling vendor to permit the purchasing customer to communicate over the foternes with the selling vendor 15 concerning the purchase transaction;

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d) receiving authorization over the internet from the purchasing customer to charge the first amount to the purchasing customer without previously receiving a request from the selling vendor to charge the first 20 smount to the purchasing customer, wherein receiving suborization is performed after gurchasing customer and the selling wands have to eater into the punchase transaction;

c) charging the first amount to the purchasing customer in <sup>26</sup> accordance with the billing agreement by charging a bank account, a credit card account, or an account with the company offering financial services; and

f) remitting the second amount to the selling vendor in 30 scrawdance with the remitting agreement without previously transmissing a credit card account number of the punchasing customer over the internet to the selling vendor and without previously transmitting a bank scoons the water previously canadium over the interes to saling endor.

3. An intelligence method for a physility of customers

and a plurality of vendors of products or services for vansactions over the internet between a purchasing cusiomer of the plurality of customers and a selling vendor of the plurality of vendors, wherein, for each purchase transaction of a product or service between the purchasing customer and the selling vendor, a first amount is charged to the purchasing customer and a second amount is remitted to the selling vendor, the method comprising the steps by a third party company offering financial services of

s) setablishing a billing agreement with the purchasing customer to permit the company offering financial services to charge the purchasing customer and to remit to a selling vender for a purchase transaction;

b) establishing a remitting agreement with the selling vendow to permit the company offering financial services to charge a purchasing customer and to remit to the selling vendor for a purchase transaction, wherein the remitting agreement does not require the company 15 offering financial services to charge the purchasing

c) providing a communications link through equipment of the third party between the purchasing customer and the selling vendor to permit the purchasing customer to so communicate over the laternet with the selling vendor concerning the purchase transaction,

d) receiving stationization over the laternet from the purchasing customer to charge the first amount to the purchasing customer without previously receiving a 45 third party company offering financial services of request from the selling vendor to charge the first amount to the purchasing customer;

e) charging the first amount to the purchasing customer in accordance with the billing agreement by charging a bank account, a cradit ourd account, or an account with the company offering financial services, and

f) remining the second amount to the selling vendor in accordance with the remining agreement without previously transmitting a credit card account number of the purchasing statemer over the internet to the selling vension and without previously transmitting a bank secount number of the purchasing customer over the internet to the selling vendor.

96. An Internet billing method for a plurality of customers and a plurality of vandors of products or services for transactions over the internet between a purchasing cussomer of the plurality of customers and a selling vendor of the plurality of vendors, wherein, for each purchase transaction of a product or service between the purchasing customer and the selling vendor, a first amount is charged to the purchasing customer and a second amount is remitted to the selling vendor, the method comprising the steps by a

third party company offering financial services of a) establishing a billing agreement with the surchasing customer to permit the company offering financial services to charge the purchasing customer and to remit to a selling vendor for a purchase transaction;

b) establishing a remitting agreement with the selling vendor to permit the oumpany offsting financial services to charge a purchasing cusy en figure chieses the selling vendor for a purchase transaction

c) providing a communications link in the preparation of the third party between the purchasing customer and the selling vendor to permit the purchasing customer to communicate over the internet with the selling vendor concerning the purchase transaction;

d) receiving authorization over the Internet from the purchasing customer to charge the first amount to the purchasing customer without previously meniving a request from the selling vendor to charge the first amount to the purchasing customer;

e) charging the first amount to the purchasing customer in accordance with the billing agreement by charging a bank account, a credit card account, or so account with the company offering financial services; and

f) remisting the second amount to the salling vendor in secondance with the remitting agreement without proviously transmitting a credit card account number of the purchasing customer over the internet to the selling vender and without previously transmitting a bank account number of the purchasing customer over the internet to the selling vendor,

wherein after establishing the billing agreement the company offering financial services does not approve an agreement between the purchasing customer and the willing venilor to enter into the purchase transaction. 91. An interest billing method for a plurality of customers

and a plurality of vendors of products or services for transactions over the laternet between a purchasing onetomer of the plurality of customers and a selling vendor of the plurably of vendors, wherein, for each purchase transaction of a product or service between the purchasing customer and the selling vendor, a first amount is charged to the purchasing customer and a second amount is remitted to the selling wender, the method comprising the steps by a

a) establishing a billing agreement with the purchasing customer to permit the company offering financial

b) enablishing a remitting agreement with the selling vendor to permit the company offering financial services to charge a purchasing continuer and to remit to the selling vendor for a purchase transaction, wherein the remitting agreement does not require the company offering financial services to charge the purchasing customer;

c) providing a communications link through equipment of 10 the third party between the purchasing customer and the seiling vendor to permit the purchasing customer to communicate over the Internet with the selling vendor

concerning the purchase transaction;

of moneying authorization orac the internet from the 55 purchasing cuitomer to charge the fact mount to the inpurchasing cuitomer without products or the control of the co

e) charging the first amount to the purchasing customer in accordance with the billing agreement by charging a bank account, a credit earl account, or an account with the company offering financial services, and

4) remitting the second amount to the selling vendor in accordance with inter remitting agreement without previously transmitting a credit card account number of the putchasing outcome over the Internet to the selling vendor and without previously transmitting a bank account number of the purchasing customer over the internet to the selling vendor.

92. An Intermed billing nutbod for a phrallity of customers as and a phrallity of control of products or nervices for transactions over the lateral customers as purchasing customers of the phrallity of customers are purchasing customers of the phrallity of tweders, wherein, for each eithing wendor the phrallity of wenders, wherein, for each eithing vendor the particular of services between the much the customer and the selfing vendor, a first amount is charged to obe purchasing customers and second amount is emitted to the selfing vendor, the method comprising the steps by a divid party company offering financial services of

s) establishing a billing agreement with the purchasing 40 customer to peculit the company offering financial exercises to charge the purchasing customer and to remit to a selling vender for a purchase transaction;

b) establishing a running spreament with the selling ventor to permit the company offering financial services to charge a purchasing customer and in remit to the selling ventor for a purchase transaction.

c) providing a communications link through squipment of the third party between the purchasing customer and the selling reader to permit the purchasing customer to communicate over the Internet with the selling reader concerning its purchase transaction;

d) receiving authorization over the Internet from the purchasing causers to charge the first amount to the purchasing customer without previously receiving a so request from the selling exactor, wherein receiving amount to the purchasing customer, wherein receiving authorization is performed the selling visual first producting customer and the selling vende have to plater into the p5 purchase transport.

 c) charging the first amount in the purchasing customer in accordance with the billing agreement by charging a 20

bank account, a credit card account, or an account with the company offering financial services; and

f) remitting the second amount to the selling vendor in accordance with the remitting agreement without previously ransmitting a credit card scoopus ramathor of the purchasing customer over the Internet to the selling vendor and without previously transmitting a bank socont number of the purchasing customer over the Internal of the selling vendor.

interno in the selling vendor, wherein the cominterno in the selling vendor, wherein the heatissue is the selling with a selling agreement the comagreement between the purchasing customer and the selling vendor to enter that the probasing customer selling vendor to enter that the purchase insusaction.

93. An internet billing method for a plurality of customers of the purchase in the purch

accurate of venders of products or services for the pursuity or customer and the pursuity of venders of products or services for the pursuity of enturement and selling vender of the pursuity of enturement and selling vender of the pursuity of venders, wherein, for each purchase treascation of a sporthant or service between the purchasing customer and the selling vender, a first amount is cheuged to the purchasing customer and ascend amount is remuited to the selling vender, the method comprising the steps by a third party company offering lineariest services of company offering lineariest services to

a) establishing a billing agreement with the punchasing customer to permit the company offering financial services to charge the purchasing customer and to remit to a selling vender for a punchase remacation;

b) astablishing a romining agreement with the selling vender to permit the company offering financial services to charge a purchasing customer and to remit to the selling vender for a purchase transaction, wherein the remitting agreement does not require the company offering financial services to charge the purchasing customer;

c) providing a communications link through equipment of the third party between the purchasing customer and the selling vender to permit the purchasing customer to communicate over the internet with the selling vender concerning the purchase transaction;

d) receiving authorization over the internet from the parchasing customer to charge the first smooth to the purchasing customer without previously receiving a request from the selling render to charge the first amount to the purchasing customer;

e) charging the first amount to the purchasing customer in accordance with the billing agreement by charging a bank account, a credit card account, or an account with the company offering financial services; and

f) remitting the second amount to the selling vendor in accordance with the remitting agreement without previously transmitting a credit card account number of the purchasing enstomer over the interest to the selling vendor and without previously transmitting a bank account number of the purchasing customer over the interngaling he satisfies vendor.

intermed to artifice years, assumed to the comtile and the substituting the billing agreement the company ownering financial services does not approve an
agreement between the purchasing customer and the
selfing vendor to enter into the purchasing customer assumed.

94. An Internet billing method for a plurality of customers and a plurality of renders of products or services for its management of the plurality of customers and a selling vender of the plurality of customers and a selling vender of the plurality of venders, wherein, for each purchasing customers of a product or service between the purchasing customers and the Selling vender, a first amount as changed on

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the purchasing customer and a second amount is remitted to the selling vender, the method comprising the steps by a third party company offering financial services of

s) establishing a billing agreement with the purchasing customes to permit the company offering financial 5 services to charge the purchasing customer and to remit to a selling worder for a purchase transaction;

b) establishing a remitting agreement with the selling vendor to permit the company offering financial services to charge a purchasing consciousness, ment to the selling vendor for a purchase transaction. Obsertin for remitting agreement does not require our company offering financial services to charge the purchasing customer;

c) purviding a communications link through opaignment of <sup>13</sup>
the third party between the purchasing customer and
the selling vendor to permit the purchasing customer to
communicate over the Internet with the selling vendor
concorning the purchase transaction;

d) receiving authorization over the Internet from the purchasing customer to charge the first amount to the purchasing customer without previously receiving a 22

request from the selling wender to charge the first amount to the purchasing customer, wherein receiving authorization is performed afterwise purchasing customer and the selling vender have to inter-into the purchase transaction;

 c) charging the first amount to the purchasing customer in accordance with the billing agreement by charging a bank socount, a credit card account, or an account with the company officing financial services, and

f) remitting the second amount to the soiling vondor in accordance with the remitting agreement without previously irransmitting a credit eard account number of the purchasing customer over the internet to the selling reader and without previously transmitting a bank account number of the purchasing customer over the internet, if the selling wendor.

interned in the setting render,
wherein after actablishing the billing agreement the company thering financial services does not approve an agreement between the purchasing customer and the setting vendor to enter into the purchase transaction.

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### HOGAN & HAKTKON LL2

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May 10, 2005

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You almost have been bound a copy of the 6th and 5th pages of the Continued Committee of the Lorent and Alberta Theorem and

I. The start bated as in Column 16. Her 18 about the bated as in Cohoo 16 line 18

I The same Sate of a Column 15, live All should be listed as in Colone 17, line 24

1. The error desired as a Colone M. Linc M. should be larged as in

October 17, Say 25 4. The commission is defeated it for all pictured by including in

Colonia 19, line 21

i. The error interior in Colonse III, lies II eleval to Lineal as in Colors M. Sw 10.

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Thank you be your day with this marker.

and the study from sent sector with the STREET DESIGNATION OF THE STREET

PATENT NO. : 5.976,068 B2 APPLICATION NO.: 09/975839

Page 1 of 9

DATED t December 13, 2005 INVENTOR(S)

Egenderf

If is certified that error appears in the above-identified patent and that said Letters Patent is hereby corrected as shown below:

Title page showing an illustrative figure, should be deleted and substitute the attached title page.

#### Title nage.

item [56], References Cited, U.S. PATENT DOCUMENTS, add the following: - 3 652 706 2/1072

2,000,000	312716	WOLL ST MI.	379/91.01
5,146,491	9/1992	Silver et al.	379/114.24
5,283,731	2/1994	Lalonde et al.	705/1
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5,590,197	12/1996	Chen et al.	705/65
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5,727,163	3/1998	Bezos	705/27
5,819,092	10/1998	Ferguson et al.	717/1
5,826,241	10/1998	Stein et al.	705/26

Stein et al.

FOREIGN PATENT DOCUMENTS, add the following: - 97/41586 11/6/97 WO

05-014510 1/22/93 Japan 06-291889 10/18/94 Japan 07-056888 3/3/95 Japan ---

OTHER PUBLICATIONS, add the following:

... Paul, Nova. "Database and Bulletin Board Services: A Guide to On-Line Resources". The Quilt, vol. \$1, no. 7, p. 18. September, 1993.

Bremner, Joseph. "Guide to Database Distribution: Legal Aspects and Model Contracts, Second Edition", National Federation of Abstracting and Information Services, chapters 1, 4, and 6, 1994.

"New Line for SBA". Family and Home Office Computing, vol. 12, no. 4, p. 19. April, 1994.

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Geradia et el. "NetBill 1994 Prototype", Carnegie Mellon University Information Networking Institute. August, 1994

Meant, Michey. "Stare-Up Offers Payment System for Data Bought Over Internet". American Banker, vol. 159, no. 203, p. 1. Oct. 20, 1994.

PATENT NO. : 6,976,008 D2
APPLICATION NO. : 09/975839
DATED : December 13, 2005
ENVENTOR(S) : Compdorf

Page 2 of 9 .

It is certified that error appears in the above-Identified peters and that said Letters Patent is hereby corrected as shown below:

#### Title page (cont'd).

Rodriguez, Karen. "Cyberspace Stan-Ups Offer Internet Wares", Info World, vol. 16, no. 43, p. 8. Oct. 24, 1994.

"Pirst Virtual Bank of Cyberspace", Newsbyses News Network, October 28, 1994.

Press, Lerry. "Commercialization of the internet". Communications of the ACM, vol. 37, no. 10, p. 17. Neveraber, 1994.

Wiegers, Alex. "First Virtual Reality Pays Bills", Business Journal, vol. 12, no. 40, p. 1. December 26,

Cummings, Joanne, and Knight, Fred. "Internet Service Providers to Ride a Familiar Rofler Coaster". Business Communications Review, vol. 25, no. 1, p. 67, January, 1995.

Day, Jacquelline. "Industry Players in Hat Partnit of Secure Internet Transaction I-lode". Bank Systems & Technology, vol 32, so. 1. January, 1995.

Into the Cyberspace", Credit Card Management, vol. 7, no. 11, p. 34, February, 1995.

Sharkenhow, Dana. "Switting the Tools for Web Commerce", Interactive Age, vol. 2, no. 8, p. 34. February 13, 1995.

Kanswiez, Anne, "Improved Internet Security Enabling On-Line Continuence (New services based on Securit Hyportent Transfer Protocol, Secure Sockets Layer Standards)", PC Week, vol. £2, so. £5, p. £. March 20, 1995.

Marrinan, Michele. "Pirst Union, Open Market Hit the Internet". Bank Systems + Technology, vol. 32, no. 3, p. 6, May, 1993.

Singleton, Andrew: "Cosh on the Wirehead: You Car't Do Business on the Internet if You Cart' Pay Your Bills to Got Paid, Here's How". Byte, vol. 20, no. 6, p. 71, June, 1995.

Bowers, Richard. "First Virtual Offers Unique Internet Payment System". Newsbytes News Network, p. 1, June 23, 1995.

Sowers, Richard. "First Virtual Creates Corporation of Pature". Newsbytes News Network, p. 3. June 24, 1995. ....

Column 1,

Line 31, "nave" should read -- have --

Column 2.

Line 12, "exxisting" should read - existing -,

Lines 29 and 37, "vender," should read - vendor, -.

Lines 50-51, "offer customers" should read -- offer their customers --

Line 56, "chance" should read -- change --.

### CERTIFICATE OF CORRECTION

Page 3 of 9

PATENT NO. : 6,976,008 B2 APPLICATION NO.: 09/975839

December 13, 2005

DATED INVENTOR(S)

: December 1.5, 2003 : Egendorf

it is cartified that arror appears in the above-identified patent and that said Leners Patent is hereby connected as shown below:

#### Column 3,

Line 29, "agrees to the" should read - agrees to do the --

Line 35, "Yender's" should read -- vender's --.

Line 53, "or example," should read -- for example, --.

Line 54, "or o a" should read - or to a --

Line 63, "provider, to the" should read - provider, not the -.

#### Column 4.

Line 6, "make" should read - made -.

Line 55, "providers" should read - provides --

Line 57, "Access network, an" should read -- Access network 3 can be a

telephone network, a cable television network, an -.

Line 58, "Prodigy, r a" should read -- Prodigy, or a --.

Line 66, "agreement" should read - agreements -..

#### Column 5,

Line 25, "form" should read -- from --.

Line 40, "from the vendor" should read - from the exchange of information

taking place between the customer and the vendor --.

Little 50, "Provider then" should read - Provider 2 then -.

Line 61, "4.1-4.nand" should read - 4.1-4.n and -.

Line 65, "customer" should read -- customers --

Line 66, "is" should read -- in --.

#### Column 6.

Line 1. "services" should read - service -.

Lines 7 and 14, "form" should read -- from --,

Line 26, "saed" should read -- used --.

Line 39, "VISA, Mastercard" should read - VISA or Mastercard -.

Line 44, "is, t can" should read -- is, it can --.

Line 57, "or a" should read - or an --.

Line 63, "For" should read - for -.

#### Column 7.

Line 8, "amount" should read - account -.

Line 9, "with the third" should read - with a third -.

Line 62, "on interact" should read -- an Internet --.

### CERTIFICATE OF CORRECTION

PATENT NO. : 6,976,008 B2

Page 4 of 9

APPLICATION NO.: 09/9/5839
DATED : December 13, 2005
INVENTOR(S) : Egendorf

It is certified that error appears in the above-identified parent and that said Latters Parent is hereby corrected as shown below:

#### Column 8.

Line 8, "company ar" should read - company, an -.
Line 6), "preformed" should read - performed -.

#### Column 9.

Line 3, "arcod" should read - agreed -, Line 34, "petry" should read - perty -.

#### Column 12.

Line 23, "transaction," should read -- transaction; --,

#### Column 13,

Line 11, "by to" should read — by the —. Line 22, "patty" should read — party —. Line 45, "agreement, and" should read — agreement, —.

Line 61, "vendor a" should read - vendor, 8 -.

#### Column 14,

Line 67, "agreement." should read - agreement, -.

#### Column 15

Line 61, "remitted, to" should read -- remitted to --.

#### Column 16,

Line 18, "have to" should read - have agreed to -.
Line 44, "tan" should read - than --

#### Column 17,

Line 23, "have to" should read -- have agreed to --.
Line 35, "to selling" should read -- to the selling --.

#### Column 18.

Line 29, "transaction," should read -- transaction; --.

#### Column 19,

Line 21, "have to" should read -- have agreed to --.
Line 64, "have to" should read -- have agreed to --.

PATENT NO. : 6,976,008 B2 APPLICATION NO. : 09/975839

Page 5 of 9

DATED December 13, 2005
INVENTOR(S) : Egendorf

It is contified that error appears in the above-identified patent and that said Letters Patent is hereby corrected as shown below:

Column 20.

Line 10, "alter" should read — after —. Line 16, "transaction over" should read — transactions over —. Line 57, "alter" should read — after —.

Column 21,

Line 11, "transaction;" should read - transaction. -.

Column 22,

Line 4, "have to" should read — have agreed to —. Line 17, "alter" should read — after —.

This certificate supersedes Certificate of Correction issued May 9, 2006.

Signed and Sealed this

Thirteenth Day of February, 2007

ION W. DIDAS Director of the United States Palent and Trademark Office

#### (2) United States Patent Egendorf

(10) Patent No.: US 6,976,908 B2

SYNKERKE	

- (75) leventer: Andrew Egenderf, Lincoln, MA (UE)
- (73) Assignee. Netterall, Corporation, Liscola, MA (US)
- (\*) Notice: Subject to any disclaimer, the term of this patrol is extended or adjusted under 35 U.S.C. 154/b; by 180 days.

This patem is subject to a terminal dis-

evalence.

- (21) Appl. No.: 89/975,836
- (22) Piled: Oct. 11, 2001
- 1850 Prior Publication Data

IXS 20002/00003654 AT 36sr; 14, 20012 Related U.S. Application Date

- (63) Constitutions of application No. 09:060,925, Shed on May 13, 2000, which is a constitution of application No. 09:057, 230, Shed on April, 19:09, 2009 Sep. No. 1, 382,954, 983, a constitution of application No. 126/999, 533, Shed on No. 7, 1990, 2009 Sep. No. 1, 5999, 221.
- (51) Int. CL7
- References Cited

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(45) Date of Patent: \*Dec. 13, 2005

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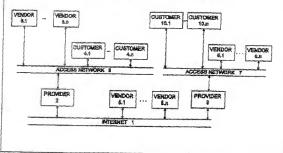
\* shed by examiner

Primary Examiner V. Millio Assistant Examiner-Deniel S. Pelten (74) Astorney, Agent, or Firm-Hogan & Flartson L.L.E.

ARSTRACT

As increa billing method comprises mubitating an agreemous between an internet access provider and a customer. and an agreement between the internet access provider and s vendos, wherein the interset across provider agrees with the customer and the vendor to bill the customer and remit to the vendor for products and services purchased over the interset by the customer from the worder. The provider creates sources to the internet for the customer. When the customer orders a product or service over the internet from a vendor, transactional information transmitted between the customer and the vendor is also treasurities; to the provider. The provider then bills the transaction amount to the customer and remits a portion of the transaction amount to the vendor, keeping the differential as a fee for providing the service. As a result of this method, there is no need for any customer account munibers or vender account members to be transmitted over the interpet, thereby maintaining the accurity of that information.

#### 94 Claims, 3 Brawing Sheets



6,976,008 B2

ESTABLISH AGREEMENTS BETWEEN PROVIDER AND CUSTOMERS AND BETWEEN PROVIDER AND VENDORS 11 CONNECT CUSTOMER TO INTERNET 12 CUSTOMER AND VENDOR **EXCHANGE TRANSACTIONAL** INFORMATION 13 PROVIDER OBTAINS TRANSACTIONAL INFORMATION VENDOR DELIVERS PRODUCT OR SERVICE TO CUSTOMER 15 PROVIDER BILLS CUSTOMER ACCOUNT 18 PROVIDER REMITS PAYMENT TO VENDOR 17

FIG. 2

Dec. 13, 2005 Sheet 3 of 3

6,976,008 B2

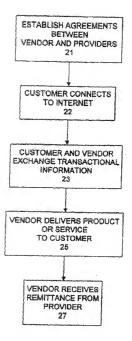


FIG. 3

## CERTIFICATE OF CORRECTION

PATENT NO. : 6,976,008 B2 DATED : December 13, 2005 Page 1 of 9

INVENTOR(S) : Egendorf

If is certified that error appears in the above-identified patent and that each Letters Patent is hereby corrected as shown below:

Title page showing an illustrative figure, should be deleted and substitute the attached title page.

#### Title page,

Item [56], References Cited, U.S. PATENT DOCUMENTS, add the following

item [56], Rei	ferences Cited	, U.S. PATENT DOCU	MENT'S, add the
3,652,795	3/1972	Wolf et al.	379/91.01
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5,819,092	10/1998	Ferguson et al.	717/1
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POREIGN PA	TENT DOCU	MENTS, add the follow	ring:
97/41586	11/6/97	WO	
05-014510	1/22/93	Japan	
06-291889	10/18/94	Japan	
07-056888	3/3/95	Japan	
OTHER PUBL	LICATIONS, a	dd the following:	

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Brammer, Joseph. "Guide to Database Distribution: Legal Aspects and Model Contracts, Second Edition". National Pederation of Abstracting and Information Services, chapters 3, 4, and 6, 1994.

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## CERTIFICATE OF CORRECTION

PATENT NO. : 6,976,008 B2 DATED : December 13, 2005

Page 2 of 9

INVENTOR(8) : Egendorf

It is certified that error appears in the above-identified patent and that said Letters Patent is hereby corrected as shown below:

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Radnigueza, Karron. "Cycheropace Stare-Ups Offier Internet Warres", Info World, vol. 16, no. 43, p. 8. Oct. 24 1994

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Press, Larry. "Commercialization of the internet". Communications of the ACM, vol. 37, no. 10, p. 17. November, 1994.

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Marrinan, Michele. "First Union, Open Market Hit the Interset". Bank Systems - Technology, vol. 32, no. 5, p. 6, Nerv. 1995.

Singleton, Andrew, "Cash on the Wirehead: You Can't Do Business on the Internet if You Can't Pay Your Bills or Get Paid. Here's How". Byte, vol. 20, no. 6, p. 71. June, 1995.

Rowers, Richard. "First Virtual Offers Unique Internet Payment System". Newspytes News Network, p. I. June 23, 1995.

Bowers, Richard. "First Virtual Creates Corporation of Future". Newsbytes News Network, p. 1. June 28, 1995. ...

Column 1.

Line 31, "pave" should read - have -.

Line 12, "exxisting" should read - existing -.

Lines 29 and 37, "vender," should read -- vendor, --.

Lines 50-51, "offer customers" should read - offer their customers --.

Line 56, "chance" should read - change -.

PATENT NO. : 6.974,008 B2 DATED : December 13, 2005 Page 3 of 9

INVENTOR(S) : Egendorf

It is certified that error appears in the above-identified patent and that said Letters Patent is hereby corrected as shown below;

Column 3.

Line 29, "agrees to the" should read - agrees to do the -.

Line 35, "vender's" should read - vendor's -.

Line 53, "or example," should read - for example, -.

Line 54, "or o a" should read - or to a --,

Line 63, "provider, to the" should read -- provider, not the --.

Cohana 4

Line 6, "make" should read - made -.

Line 55, "providers" should read -- provides --.

Line 57, "Access network, an" should read -- Access network 3 can be a

telephone network, a cable television network, an --

Line 58, "Prodigy, r a" should read -- Prodigy, or a --.

Line 66, "agreement" should read -- agreements --.

Column.5.

Lies 25, "form" should read -- from --.

Line 40, "from the vendor" should read - from the exchange of information

taking place between the customer and the vendor -.

Line 50, "Provider then" should read -- Provider 2 then --.

Line 61, "4.1-4.nand" should read -- 4.1-4.n and --

Line 65, "customer" should read - customers -.

Line 66. "is" should read ... in ....

Column 6.

Line 1, "services" should read -- service --.

Lines 7 and 14, "form" should read -- from --.

Line 26, "sued" should read - used -..

Line 39, "VISA, Mastercard" should read - VISA or Mastercard --

Line 44, "is, t can" should read -- is, it can --.

Line 57, "or a" should read - or an -.

Line 63, "For" should read -- for --.

Column.Z.

Line 8, "amount" should read - account -

Line 9, "with the third" should read - with a third -.

Line 62, "on internet" should read -- an internet --.

PATENT NO. : 6,976,608 B2 DATED : December 13, 2005 Page 4 of 9

INVENTOR(S) : Egendorf

It is conflict that error appears in the above-identified patent and that said Letters Patent is hereby corrected as shown below;

#### Column 8.

Line 8, "company an" should read - company, an -. Line 61, "weformed" should read - performed -.

#### Column 9,

Line 3, "arced" should read - agreed --. Line 34, 'pany' should read -- party --.

#### Column 12.

Line 23, "transaction," should read — transaction; —,

#### Column 13.

Line 11, "by to" should read -- by the --.
Line 22, "patry" should read -- party --.
Line 45, "agreement; and" should read -- agreement, --.

Line 61, "vendox a" should read - vendor, a -.

#### Column 14.

Line 67, "agreement," should read - agreement, --.

#### Column 15,

Line 61, "remitted, to" should read - remitted to -.
Line 18, "have to" should read - have agreed to -.

#### Column 16.

Line 44, "tan" should read — than —. Line 23, "have to" should read — have agreed to —. Line 35, "to selling" should read — to the selling —.

#### Column 18.

Line 29, "transaction," should read - transaction; --.
Line 21, "have to" should read - have agreed to --.

#### Column 19,

Line 64, "have to" should read — have agreed to —. Line 10, "siter" should read — after —.

#### Column 20.

Line 16, "transaction over" should read -- transactions over --. Line 57, "alter" should read -- after --.

PATENT NO. : 6,976,006 B2 DATED : December 13, 2005

Page 5 of 9

INVENTOR(S) : Egendorf

It is certified that error appears in the above-identified patent and that said Letters Patent is hereby corrected as shown below:

Column 21,

Line 19, "transaction;" should read -- transaction, --,

Column 22,

Line 4, "have to" should read - have agreed to -.

Line 17, "alter" should read -- after --.

Signed and Sealed this

Ninth Day of May, 2006

ION W. DUDAS Director of the United States Patent and Trademark Office

#### (12) United States Patent Egendorf

(10) Patent No.: US 6,976,008 B2 (45) Date of Patent: \*Dec. 13, 2005

INTERNAL T	

- (75) Invesior: Andrew Essendorf, Lincoln, MA (US)
- (73) Amigon: Neteral, Corporation, Liousia, MA (US)
- (\*) Notice: Subject to any disclaimer, the serm of this pasent is extended or adjusted under 35 U.S.C. 154(9) by 290 days.

This passes is subject to a unmined dis-

- (21) Appl. No.: 88/975,839
- (22) Filed: Oct. 11, 3001
- 65) Prior Publicaçãos Data

136 2002/002664 At Mar 14, 2027

Related U.S. Application Date

- (43) Continuous of application No. NOV58 978, filed on May 12, 2000, which is a continuous of application No. INSCO-220, filed on April, 1976, powr Par. Nov. 6, 1985, PA, which is a continuous of application No. 1884-99, 333, Steel on Not. 7, 1995, now Par. No. 5, 558-221.
- (51) lat, Cl.' G66F 17/60 (50) U.S. Cl. 706/40, 705/41, 705/42 (56) Fleid of Search 705/40, 41, 42
  - (6) References Cited

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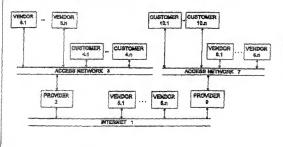
Primary Examinar—V. Millin Assistant Examinar—Deniel S. Felten

(74) Attorney, Agent, or Pirm—Hogas & Harton L.L.F.

(57) ABSTRACT

An Internet billion method comprises establishing to agreement between an intermet access provider and a manufact, and an agreement between the internet accuse provider and a vegetor, whemin the laternet access provider agrees with the customer and the vendor to bill the sustamer and remit to the vendor for products and services purchased over the interpet by the customer from the weader. The provider creates access to the interset for the customes. When the customer orders a product or service over the internet from s vendor, transactional information transmitted between the continuer and the vendor is also transmitted to the provider. The provider then bills the transaction amount to the ourtomer and remits a portion of the transaction amount to the wonder, keeping the differential as a fee for providing the service. As a result of this method, there is no used for any customer account numbers or vendor account numbers to be transmitted over the interpet, thereby maintaining the socurity of that information.

#### 94 Claims, 3 Brawing Shoots



VENDOR 6.1

6,976,008 B2

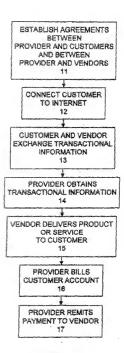


FIG. 2

6,976,008 B2

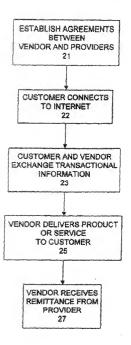


FIG. 3